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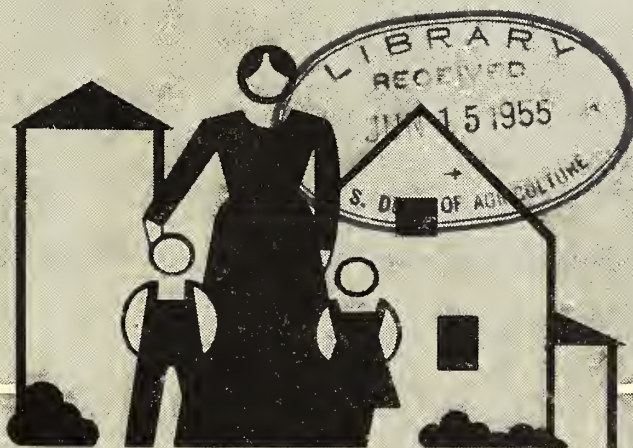
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FARM FAMILY LIVING OUTLOOK FOR 1938

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MISCELLANEOUS PUBLICATION 297

UNITED STATES DEPARTMENT OF AGRICULTURE



FOREWORD

The thrift of the farm family is well known. The demonstrated ability of the farm homemaker in making a little money go far undoubtedly is due to her habit of "looking ahead"—at least a year ahead—for that is the way of farm life.

- It is with the hope of helping farm families in their financial planning that the Department of Agriculture is presenting for the first time in pamphlet form a condensation of its annual Farm-Family Living Outlook report.

- The financial situation of a particular family cannot be forecast since the trends of income and prices are predictable only in the most general terms.

- This publication contains the facts especially significant for planning farm-family living that have been sorted out from the store of economic information presented at the annual Agricultural Outlook Conference. This conference is conducted by the Bureau of Agricultural Economics, the Bureau of Home Economics, and the Extension Service of the United States Department of Agriculture.

NOVEMBER 1937

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UNITED STATES GOVERNMENT PRINTING OFFICE
WASHINGTON : 1937

FARM FAMILY LIVING OUTLOOK FOR 1938

BUREAU OF HOME ECONOMICS AND
BUREAU OF AGRICULTURAL ECONOMICS

GENERAL OUTLOOK FOR FARM FAMILY LIVING

● In farm-family records for the country as a whole, 1937 goes down as a "good year." Net farm money income available for living expenses and for getting ahead financially has been greater than in any year since 1929. By the end of December total receipts from marketings of farm products and from Government payments for 1937 are expected to be 14 percent higher than in 1936. All parts of the country have shared in this income increase. The South Central States were perhaps the most fortunate; the West North Central the least.

The outlook for 1938 is for a rather less prosperous year for the farmer than was 1937. Total income from farm marketings may decrease somewhat since lower prices for farm products are expected. Production expenses for 1938 may rise slightly. Consequently, the net amount remaining after production expenses have been deducted from receipts from marketings probably will be smaller than in 1937. Income from Government payments in 1938 is expected to be somewhat above that of 1937; but this increase is not likely to offset the decline in net receipts from marketings. Hence, in 1938 farm money income may tend to be lower than in 1937.

The buying power of farm income probably will decline slightly, too, since prices the farmer pays for what he buys are expected to fall less than the prices he receives for what he sells.

The year 1938 thus bids fair to be one of challenge to the farm family. Warned in advance that 1938 money incomes may be smaller than in 1937, farm families can do much to "beat the game" by planning to use their cash efficiently and by increasing their income "in kind." They do not face the hopelessly low selling prices and reduced incomes of depression years.

During 1937 farm families have fared better than for many years. Skill in managing family resources will make this 1937 income stretch its farthest. Plans for 1938 may emphasize traditional cash-saving practices—increasing the home food supply from orchard and garden and from the poultry flock and the dairy herd.

How such farm-furnished food counts up, freeing cash for other purposes has just been vividly shown by a farm-family living study, made by the Bureau of Home Economics. The average money value of farm-furnished food of the white families thus studied was between \$200 and \$500 in 17 areas, above \$500 in 2 areas, and below \$200 in the remaining 2 areas.

This farm-furnished food helps to make farm diets, in general, superior to those of village and city families. And there are possibilities for even more varied and better-balanced diets by taking account of nutritional needs when planning next year's food supply.

REGIONAL OUTLOOK FOR FARM FAMILY INCOME

● Because crop production in 1937 was more nearly normal than in such years as 1934 and 1936, when drought was widespread, farm income during the rest of 1937 and the first half of 1938 will be more evenly distributed throughout the country. Income trends in the different regions of the country are as follows:

● South Central States, the greatest gainers in farm income in the first 8 months of 1937 chiefly because of larger crops (including cotton), may see a slight diminishing of income in the eastern section during the remainder of this year. In the western section, however, increased production may more than offset lower price levels.

● Western States, having enjoyed a relatively large improvement in income during the first 8 months of 1937, may expect this trend to continue throughout this calendar year and on into 1938.

● West North Central States probably will have a higher income in the last 4 months of 1937 than in the same period of 1936, though for the first 8 months income was about the same as for the previous year. Livestock marketings may improve in the early part of 1938.

● East North Central States, where month-to-month improvement over the preceding year has been less marked since July, probably can expect farm income during the rest of this year to be not much larger

than in 1936. Prices farmers will receive for their meat animals, dairy products, poultry, and eggs in the first half of 1938 are expected to be about the same as during the same period in 1937. Hence, up until the summer of 1938 farm income from those sources will be determined mainly by volume of marketings.

● North Atlantic States have had farm income thus far in 1937 following the same trend as in 1936 but at a slightly higher level. It is expected that this higher level will continue during the rest of 1937. Farm families in this region rely upon dairy herds and poultry flocks as major contributors to their incomes. While prices of products from these sources are expected to remain about the same during the first months of 1938 as compared with those of 1937, the farm families may have greater net returns from sales if the anticipated decrease in prices of feed grains materializes.

● South Atlantic States during the first 8 months of 1937 had incomes slightly higher than in the same period in 1936. In the northern section, during the last 4 months of 1937, larger crops of apples and winter wheat will add materially to income. In the southern sections, larger returns from tobacco may about offset the smaller returns from cotton, so that the 1937 income as a whole may be at about the 1936 level.



OUTLOOK FOR THE FARM FAMILY TABLE



● In the general situation, one of the best things about living on a farm is that the outlook for the family table is always better than is the outlook for the table of the city family with a comparable income. For the fresh fruits, vegetables, eggs, milk, and other protective foods, which are important for health but expensive to buy, can be provided by the farm with a moderate outlay of cash and labor.

Diets classed as first-rate from the standpoint of nutrition were found almost twice as often among representative white farm families as among city workers, in a comprehensive study of family living. However, the diets of 15 percent of the farm families ranked as poor and those of 45 percent, as only moderately good. More than half of these farm families therefore could well work toward making their diets first-rate by means of better home food-production programs.

In the outlook for the table of the farm family, the year 1938 adds a few bright touches of its own to the traditional happy horizons of farm food. A goodly yield from gardens and orchards in 1937 has been conserved by the thrifty farm homemakers and will help to tide the families over the first part of 1938 until spring vegetables are again en route from garden to table.

Retail food prices, as a whole, have declined during the latter part of 1937, and the bill for food for the family is expected to average somewhat lower in 1938.

● Among specific food supplies, flour, rice, and some other cereal products are expected to average lower in price in 1938, on account of the abundant grain crops of 1937. Meat prices are expected to average lower in 1938 than in 1937, although the increase in total supplies and lower prices of meats are likely to occur in the latter part of the year. The price decreases will be largely in the better grades of beef and in pork, supplies of which have been far below average for the last 3 years. However, relatively high meat prices early in 1938 will trouble farm families somewhat less than city families as the farm families will have home-produced meat, poultry, eggs, and dairy products. And, as always, the homemaker may save on her meat bill by selecting the more economical kinds, grades, and cuts.

The total supply of commercially canned vegetables for 1937-38 is expected to be 15 to 20 percent above that of the previous year. Because of the large supply, current (fall 1937) prices of canned vegetables are from 20 to 25 percent below the level of the same period in 1936. Hence, the supply of home-canned foods can be supplemented at lower-than-usual prices in early 1938. The present supply of canned corn is the second largest on record. There has also been a record production of snap beans for canning, and prices are now near record low levels.

Dry beans will be a good buy for many months to come. The 1937-38 dry-bean supply is about 24 percent larger than that of a year ago, and, as a result, prices have come down.

The average production of all fruits during the next 5 years will probably be larger than the average for the 5-year period just passed. With more generous supplies of fruits in local stores, the farm family can supplement the supply from its own orchard with fruits not locally grown.

Grapefruit production is on a sharp upward swing. With a 1936-37 crop 80 percent above the previous 5-year average and large crops expected for the next 5 years, this is a good time to add grapefruit to the list of fresh fruits bought for the farm table. The upward trend in orange production continues also. The 1938 lemon crop, however, will be no larger.

OUTLOOK FOR THE FARM FAMILY AUTOMOBILE

● The automobile has sped to the front in farm-family life in the past 15 years. Just how far it has come is shown in the farm-family living study of the Bureau of Home Economics. Clothing expense used to rank second in the spending of farm families. But this study showed the automobile taking second place (following food) on the list of living expenditures in more than half of the farm areas canvassed. This expenditure did not include the cost of the car for farm work. Only the family's share (usually 50 percent) was figured in terms of dollars and cents.

Farm families themselves probably have also figured what the automobile means in less loneliness, more recreation, and more chance for meeting others and discussing mutual problems. Of great interest to farm families, therefore, is the outlook for the automobile.

New automobiles, 1938 models, exhibited at the fall shows are priced somewhat above the 1937 models. There may be some slowing up of purchases of automobiles in 1938. Old cars may be kept somewhat longer, and the replacement rate may fall because of these higher prices, because of the reported relatively minor changes in the 1938 models, and because of the more stringent terms for financing car purchases. A tendency toward economy in living, because of the autumn business recession, also may delay automobile purchases.

Gasoline prices are not expected to change markedly. The increase in gasoline consumption, if continued, may tend to offset possible lower prices due to technological improvements. Tire and tube prices are expected to average the same, or a little lower, by the end of 1937 but may rise slightly in 1938.

OUTLOOK FOR FAMILY CLOTHING AND TEXTILES

● The clothing budget deserves especially careful consideration this coming year. The homemaker will have to use skill to balance her purchases of garments for which prices are lower against purchases of those for which prices have increased.

Cotton yard goods, sheets, and pillowcases probably will average a little lower in 1938 than in 1937, due to the marked reduction in prices of raw cotton. If the vogue for cotton dresses continues and the homemaker is skillful with her needle, costs of summer wardrobes may be lower in 1938 than in 1937.

Rayon and wool prices may be a little lower in 1938 than in 1937. An increasing use of rayon fabrics in garments for women and children is reported.

Prices of ready-to-wear clothing, especially for men, have had an upward trend in 1937. For those garments for which wages are an important production cost, there may be a further price increase in 1938. Prices for shoes of comparable quality may average a little higher in 1938 than in 1937.

OUTLOOK FOR FIXING UP THE FARM HOME



● Increased use of electricity in farm homes is one of the most encouraging of the 1938 outlooks. It is estimated that 1,125,000 farms the country over will be receiving electric service by the end of 1937. Through Rural Electrification Administration projects, about 150,000 additional farms probably will be served in 1938, and private utilities have lines under construction which will add 75,000 more. The New Year's Eve celebration to greet 1939 should thus be electrically illumined in 1,350,000 farm homes.

Many a farm family will be planning a 1938 budget to include purchases of lighting fixtures, electric irons, and some of the smaller electric appliances. Purchases of the larger pieces of equipment can well be budgeted over a period of time.

It is anticipated that prices of appliances may be somewhat higher in 1938 than in 1937. Some farm groups have found cooperative buying a satisfactory method of purchasing electric equipment.

The family wanting to build a new home or to make additions may find retail prices of building materials about the same or slightly higher in 1938 than in 1937. While the 1937 increase in wholesale prices has probably not been fully reflected in the retail market, advances may not be great.

Furniture prices, according to trade sources, will be somewhat higher in 1938. The farm homemaker may decide to delay purchases of new furniture by "doing over" what she has for further service. Refinishing furniture, making new slip covers of bright cottons which are now so plentiful and reasonable in cost, and rearranging of rooms, are ways of working wonders in making old homes look new again.

Prices of radios were increased from 10 to 15 percent in August, and no significant further change is probable within a year.

ADJUSTMENTS IN FINANCIAL PLANS OF FARM FAMILIES FOR 1938

● Thrift in spending what money is available is characteristic of farm families. In half of the rural areas included in the Bureau of Home Economics study, average living expenditures were below net money income when farm families reached the \$500 income mark. As income increased, the amount spent for family maintenance rose also, but less rapidly. In the upper income brackets the family spending only 60 percent of its net cash for living was the rule rather than the exception.

The probability of a somewhat lowered farm money income in 1938 may mean readjustments in plans for the farm business. Hand in hand with such changes for the farm will go readjustments in plans for farm-family living.

The family may well ponder the possibilities of supplementing money income by increasing farm-furnished food, fuel, and other products. But a decision on this point should be reached only after considering how this increase in income "in kind" will affect both the farm business and family living.

The farm family will want to seek its own answers to such questions as these: How much will it cost to produce more farm-furnished food? Is this a wise use of land and labor? How much added responsibility will this mean for the homemaker? For the other family members? Can they well assume this burden? Are family diets now first-class? Or is there a likelihood that wisely planned food production will improve diets and better health?

Decisions as to family living cannot be based wholly upon savings of money. It may be wise to grow some fruits and vegetables for home use that would not be grown as money-making commercial crops.

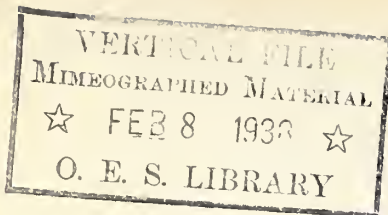
If the family is so fortunate as to be in one of the upper income brackets, the use of available cash for increasing net worth will be weighed against its use for family living. But there is need to remember that savings can defeat real thrift if they are made at the expense of human well-being. The budget for living expenses and for savings should be parts of a well-balanced financial plan formulated by the family group.

Many things may happen within the next few months to change the present agricultural outlook. Watching world events and readjusting plans to meet changes in price levels are important for family living as well as for the farm business. But action of the individual family is not enough.

The farm operator and farm homemaker will find themselves gainers if they join with others in studying local and national problems and in working toward the formulation of policies which will help them and their farm neighbors to make adjustments as the world outlook changes.





Preliminary

UNITED STATES DEPARTMENT OF AGRICULTURE
Bureau of Home Economics
Bureau of Agricultural Economics
and Extension Service Cooperating

Tentative program---OUTLOOK CONFERENCE ON FARM FAMILY LIVING
Washington, D.C., October 25--October 30, 1937

MONDAY, OCTOBER 25

Auditorium, South Building
Eric Englund, Chairman

Morning (Joint session with the Agricultural Outlook)

Opening remarks - A. G. Black, Chief, B.A.E. - - - - - 9:00 A.M.
Business conditions, demand, and the price situation - - - - - 9:45 A.M.
Credit - - - - - 11:45 A.M.

Afternoon (Joint session with the Agricultural Outlook)

Farm family living - - - - - 1:30 P.M.
Poultry and eggs (including turkeys) - - - - - 2:30 P.M.
Potatoes and sweet potatoes - - - - - 3:30 P.M.

TUESDAY, OCTOBER 26MorningExtension Program

Materials for use in the Outlook campaign - - - - - 9:00 A.M.
Farm family living conference, Room 1039, South Building - - - - - 10:30 A.M.
Louise Stanley, Chairman
Use of Outlook material by Home Management Specialists
Group discussion, led by Mary Rokahr

Afternoon

Farm family living conference, Room 1039, South Building - - - - - 1:30 P.M.
Day Monroe, Chairman

Review of Farm Family Living Outlook report:

- (a) Farm income: interpretation of probable trends - Bur. Agric. Econ.
 - (b) Prices of agricultural products: interpretation
of probable trends - - - - - Bur. Agric. Econ.
 - (c) Retail price trends and family purchasing plans- Bur. Home Econ.
- Sources of material for Outlook report and charts- - -

Evening - Get-together dinner, Cafeteria, U. S. Department of Agriculture 6:30 P.M.
Address by the Honorable Henry A. Wallace, Secretary of Agriculture

WEDNESDAY, OCTOBER 27Morning

Farm family living conference, Room 1039, South Building - - - - - 9:00 A.M.
Hazel K. Stiebeling, Chairman

Significance of Outlook material in financial plans of farm families

The farm's contribution to the family's nonmoney income
Home food production and family finances - - - - -
Nonmoney income: some questions involved - - - - -
Discussion - - - - -

Afternoon (Joint session with the Agricultural Outlook)

Policy and goals in agricultural adjustment
Address by H. R. Tolley - - - - - 1:30 P.M.
Report by A. G. Black and Committee - - - - - 2:30 P.M.



THURSDAY, OCTOBER 28

Morning

Farm family living conference, Room 1039, South Building - - - - - 9:00 A.M.
Day Monroe, Chairman

Significance of Outlook material in financial plans of farm
families (continued)

Family living expenditures as related to farm family income -

Planning household expenditures of farm families - - - - -

General discussion- - - - -

Afternoon

Outlook for farm family purchasing, Room 1039, South Building- - - - - 1:30 P.M.
Grace Frysinger, Chairman

The business of farm family buying - - - - -

Consumers' market service - - - - -

FRIDAY, OCTOBER 29

Morning

Farm family living conference, Room 1039, South Building - - - - - 9:00 A.M.
Mary Rokahr, Chairman

Significance of Outlook material in financial plans of farm
families (continued)

Use of household account summaries in presenting Outlook
information - - - - -

Significance of the National Outlook on farm family living
for State Outlook programs- - - - -

A year-round Outlook program- - - - -

Suggestions for next year's Outlook program - - - - - Committee report

Afternoon

Extension Conference

Preparation of State Outlook reports- - - - -

Possible assistance to county agents conducting Outlook work
and training local leaders- - - - -

SATURDAY, OCTOBER 30

Morning

Extension Conference

Film strips on Outlook- - - - -

UNITED STATES DEPARTMENT OF AGRICULTURE

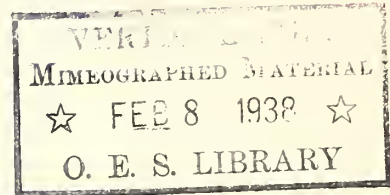
Bureau of Agricultural Economics,
Bureau of Home Economics,
and Extension Service Cooperating.

AGRICULTURAL OUTLOOK CONFERENCE PROGRAM

Washington, D. C., October 25 - October 30, 1937

MONDAY, OCTOBER 25OUTLOOK PROGRAM and
FARM FAMILY LIVING PROGRAM

Auditorium, South Building
Eric Englund, Chairman



Opening remarks - A. G. Black, Chief of Bureau	9:00 a.m.
Business conditions, demand, and the price situation	9:45 a.m.
Credit	11:45 a.m.
Lunch	12:30 p.m.
Farm Family Living	1:30 p.m.
Poultry and Eggs (including Turkeys)	2:30 p.m.
Potatoes and Sweetpotatoes	3:30 p.m.

OUTLOOK EXHIBITS

Room 2649

An exhibit of State Outlook and other economic materials has been assembled for the benefit of the State representatives and will be on display throughout the week.

Note: Written Outlook reports have been prepared that will not be discussed in the meetings. State representatives interested are expected to discuss these reports with committee members prior to preparation of the final draft. The reports which are prepared, but will not be discussed include farm labor, equipment, and fertilizer; meat animals and meats; mohair; clover and alfalfa seed; the cottonseed section of the cotton report; cherries; grapes; and pears. If time permits, any of these which are of especial interest to the conference may be read and discussed.

TUESDAY, OCTOBER 26

EXTENSION PROGRAM

Room 3036, South Building
H. M. Dixon, Chairman

Materials for use in the Outlook campaign 9 a.m.

OUTLOOK PROGRAM

Section A
Room 3036, South Building
Eric Englund, Chairman

Cotton 10:30 a.m.

Section B
Room 2428, South Building
W.H. Youngman, Chairman

Fruits 10:30 a.m.
Citrus fruits 11:00 a.m.
Apples 11:45 a.m.

FARM FAMILY LIVING PROGRAM

Room 1039, South Building
Louise Stanley, Chairman

Use of Outlook material by Home Management Specialists
Group discussion, led by Mary Rokahr and Gladys Gallup 10:30 a.m.

OUTLOOK PROGRAM

Section A
Room 3036, South Building
Eric Englund, Chairman

Tobacco 1:30 p.m.
Flax 2:45 p.m.
Wheat 3:15 p.m.

Section B
Room 2428, South Building
W.H. Youngman, Chairman

Peaches 1:30 p.m.
Strawberries 2:15 p.m.
Nut Crops 2:45 p.m.

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FARM FAMILY LIVING PROGRAM

Room 1039, South Building
Day Monroe, Chairman

Review of Farm Family Living Outlook report: 1:30 p.m.
 (a) Farm income; interpretation of probable trends.
 (b) Prices of agricultural products; interpretation
 of probable trends.
 (c) Retail price trends and family purchasing plans.
Sources of material for Outlook report and charts.

WEDNESDAY, OCTOBER 27

OUTLOOK PROGRAM

Room 3036, South Building
Eric Englund, Chairman

Feed crops and livestock (including Hay and Pasture) 9:00 a.m.
Dairy 11:00 a.m.

FARM FAMILY LIVING PROGRAM

Room 1039, South Building
Hazel K. Stiebeling, Chairman

Significance of Outlook material in financial plans of
farm families 9:00 a.m.
 The farm's contribution to the family's nonmoney income.
 Home food production and family finances.
 Nonmoney income: some questions involved.
 Discussion.

OUTLOOK and

FARM FAMILY LIVING PROGRAM

Auditorium, South Building
Eric Englund, Chairman

Policy and Goals in Agricultural Adjustment
 Address by H. R. Tolley 1:30 p.m.
 Report by A. G. Black and committee 2:30 p.m.

Do Thompson
actual situation
Base
THURSDAY, OCTOBER 28

OUTLOOK PROGRAM

Room 3036, South Building
Eric Englund, Chairman

Hogs 9:00 a.m.
Beef Cattle 10:30 a.m.
Horses and Mules 11:30 a.m.

FARM FAMILY LIVING PROGRAM

Room 1039, South Building
Day Monroe, Chairman

Significance of Outlook material in financial plans of farm families (continued) 9:00 a.m.
 Family living expenditures as related to farm family income.
 Planning household expenditures of farm families.
 General discussion.

Lunch 12:30 p.m.

OUTLOOK PROGRAM

Room 3036, South Building
Eric Englund, Chairman

Truck Crops 1:30 p.m.
Dry Beans 4:00 p.m.

FARM FAMILY LIVING PROGRAM

Room 1039, South Building
Grace Frysinger, Chairman

Outlook for Farm Family Purchasing 1:30 p.m.
 The business of farm family buying.
 Consumers' market service.

THURSDAY EVENING, OCTOBER 28

Get-together dinner - National Press Club 6:30 p.m.
 C. W. Warburton, Toastmaster

A State Man's View of the Outlook ... L. G. Allbaugh - Iowa

Address by Honorable H. A. Wallace, Secretary of Agriculture

FRIDAY, OCTOBER 29

OUTLOOK PROGRAM

Room 3036, South Building
Eric Englund, Chairman

Sheep, Lambs, and Wool 9:00 a.m.
Soybeans 10:00 a.m.
Rice 11:00 a.m.
Peanuts 11:45 a.m.

FARM FAMILY LIVING PROGRAM

Room 1039, South Building

Mary Rokahr, Chairman

Significance of Outlook material in financial plans of
farm families (continued) 9:00 a.m.

Use of household account summaries in presenting Outlook
information.

Significance of the National Outlook on farm family living
for State Outlook programs.

A year-round Outlook program.

Suggestions for next year's Outlook program Committee report

EXTENSION PROGRAM

Room 3036, South Building

H. M. Dixon, Chairman

A. Preparation of Annual and Current State Reports 1:30 p.m.

Kind, number, and purpose of reports, how they are
prepared, and to whom distributed -

Presented by: V. R. Wertz - Ohio

L. R. Breithaupt - Oregon

General discussion.

B. Training of Outlook Workers

Nature and duration of training period, materials
used, specialists participating, and groups trained -

Presented by: L. G. Allbaugh, Miss Ruby Simpson - Iowa

F. A. Harper, Mrs. Ruby G. Smith - New York

General discussion.

C. Uses of Outlook Information

Bringing the Outlook to farm people and the use of Outlook
data in formulating and administering programs -

Presented by: W. H. Lamphere - Montana

Mrs. Ida A. Fenton - Arkansas

P. E. Johnston, Illinois

P. V. Kepner - Economics Extension Section

General discussion.

SATURDAY MORNING, OCTOBER 30

EXTENSION PROGRAM

Auditorium, South Building

L. M. Vaughan, Chairman

Film strips - C. H. Hanson - Extension Service 9:00 to 10:30 a.m.
W. H. Youngman - B.A.E.

Report of Outlook Committee 10:30 a.m.

P. E. Johnston (Illinois) - Chairman

J. H. McLeod, Tennessee

Miss Ruby Simpson, Iowa

Miss Nell Pickens, Alabama

Miss D. E. Wiesendanger, New York

D. W. Reed, Maine

A. W. Willis, Wyoming

(Representatives of B.A.E., Home Economics, and Extension Service
will work with this Committee.)

ROOMS AND TELEPHONE NUMBERS OF OUTLOOK WORKERS

Chairmen and Secretaries of Outlook Committees

Committee	Chairman			Secretary		
	Name	Room	Tele- phone	Name	Room	Tele- phone
Demand	O. C. Stine	3901	4411	F. L. Thomsen	3871	4411
Credit	Roy M. Green	4529	2233	D. F. Christy	4554	2225
Farm Labor	C. M. Purves	3933	2235	N. J. Wall	4534	2232
Rice	G. A. Collier	411*	2229	R. F. Hale	3548	2129
Cotton	C. H. Robinson	302A*	2145	R. E. Post	3911	2237
Wheat	W. F. Callander	2409	2121	M. R. Cooper	3908	2239
Flax	G. A. Collier	411*	2229	R. E. Post	3911	2237-2241
Tobacco	C. E. Gage	3027	2262	Anne Dewees	3907	2236
Beef Cattle	C.A. Burmeister	2530	2204	A. P. Brodell	4442	4242
Horses & Mules	M. R. Cooper	4909	4228	R. M. Walsh	3447	2238
Hogs	P. Richards	3451	2238	G. W. Collier	4903	4229
Sheep & Wool	W. O. Fraser	2550	2210	C.A. Burmeister	2530	2204
Dairy	F. V. Waugh	2627	2768	P. Richards	3451	2238
Poultry & Eggs	G. W. Sprague	2919	2180	L. M. Davis	2931	2222
Vegs. & Pots.	G. Burmeister	3554	2587	A. Sturges	3934	2246
Fruits	S. R. Newell	2631	2768	H.C.R. Stewart	2435	2127
Peanuts	A. P. Brodell	4442	4242	Reginald Royston	2435	4285
Dry Beans	J. E. Barr	503*	2227	J. A. Hicks	2431	2501
Feed Crops and Livestock	C. L. Harlan	2446	2125	G. Burmeister	3554	2587
Clover and Al- falfa Seed	G. C. Edler	510*	4415	M. Clough	3915	2241
Farm Family Living	Day Monroe	6030	2428	M. A. Crosby	4897	4236
Soybeans	W. A. Wheeler	508*	4415	Hazel K. Stiebeling	6030	2428
				E. W. Grove	3912	2243

Dr. Louise Stanley, Chief, Bureau of Home Economics	6052	2421
Dr. C. W. Warburton, Director, Extension	5901	377
Dr. C. B. Smith, Asst. Director, Extension	5915	381
Dr. A. G. Black, Chief, Bureau of Agricultural Economics	3057	4401
Dr. Eric Englund, Asst. Chief, Bureau of Agricultural Economics	3057	4404
Roy F. Hendrickson, Director of Economic Information	3511	4407
H. M. Dixon, In Charge, Economic Extension	2641	664
W. H. Youngman, Secretary to Outlook	3505	2261

* Room in Agricultural Annex Building, 12th & C Sts., S. W.

UNITED STATES DEPARTMENT OF AGRICULTURE

EXTENSION SERVICE

WASHINGTON, D.C.

DIVISION OF
COOPERATIVE EXTENSION

October 14, 1937.

TO STATE EXTENSION EDITORS:

Re: Release schedule for 1938 Outlook reports.

The annual agricultural Outlook Conference, sponsored by the Bureau of Agricultural Economics in cooperation with the State extension services, will be held in Washington, October 25-30. Facts of importance to farmers in making their 1938 production and marketing plans will be assembled, analyzed, and reported.

Following the close of the conference, advance releases on the 1938 outlook, by major farm commodities, will be made available along with advance copies of the individual commodity reports. This practice was inaugurated last year to permit the coordination of press and radio releases and a wider dissemination of the outlook information.

The first release is on Domestic and Foreign Demand and is scheduled for Tuesday, November 2. The full schedule of releases announced by Roy F. Hendrickson, Director of Economic Information, follows:

	<u>November</u>	<u>Papers</u>
Domestic and Foreign Demand	2	a.m.
Agricultural Credit	2	p.m.
Farm Labor, Equipment, Fertilizer . .	3	a.m.
Feed Crops and Livestock Summary . .	3	p.m.
Cotton and Cottonseed	4	a.m.
Wheat and Flax	4	p.m.
Dairy Products	5	a.m.
Hogs; Meat Animals and Meats	5	p.m.
Poultry and Eggs; Turkeys	6	a.m.
Beef Cattle; Horses and Mules	8	a.m.
Truck Crops	8	p.m.
Farm Family Living	9	a.m.
Soybeans; Clover and Alfalfa Seed;)		
Dry Beans.)	9	p.m.
Fruits	10	a.m.
Tobacco; Peanuts; Rice	10	p.m.
Sheep, Lambs, Wool; Mohair	10	p.m.

UNITED STATES DEPARTMENT OF AGRICULTURE

EXTENSION SERVICE

WASHINGTON, D.C.

DIVISION OF
COOPERATIVE EXTENSION

The releases will be prepared before the close of the conference week, and as quickly as they are mimeographed copies will be forwarded to you. This is being done so as to give additional time for you to localize them for distribution within your State. Advance copies of the individual commodity reports also will be sent to you as soon as they are available.

The releases and commodity reports, in most cases, will be made available to Washington correspondents and press associations at least 24 hours in advance of the time of release.

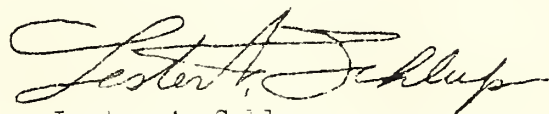
A complete mimeographed report on the 1938 outlook, comprising the individual reports, will be distributed only to Extension workers. They will be mailed from Washington by November 3.

A printed Outlook report - a more popular presentation of the complete report - will be available for general distribution about November 15. The rewrite will represent an effort to present the Outlook material from the viewpoint of farmers, in simple form and less technical language and with far fewer statistics. Emphasis will be placed on readability and brevity.

An 8-page nontechnical presentation of the Farm Family Living Outlook report also will be printed for general distribution.

We shall be glad to get any suggestions that you may have for strengthening the informational service to you in support of the agricultural outlook.

Very truly yours,

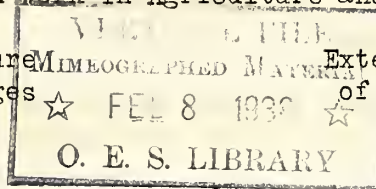


Lester A. Schlup,
In Charge, Visual Instruction
and Editorial Section.

Copy to State Extension
Economists.

Cooperative Extension Work in Agriculture and Home Economics

U. S. Department of Agriculture
and State Agricultural Colleges
Cooperating



Extension Service, Division
of Cooperative Extension,
Washington, D. C.

AIMS, OBJECTIVES, AND EDUCATIONAL OUTCOMES OF THE OUTLOOK PROGRAM 1/

By Gladys Gallup, Extension Home Economist

We are hearing of the different new situations that we are facing in the States. I think we all feel that we have to weigh carefully any educational enterprise that we bring before rural families who are having so much brought to their attention. We need to take stock of whatever we teach to see if it will be of real help to farm people, to see whether or not it is educationally sound, and to see in what ways this educational enterprise might be integrated into other programs.

Our special concern today is to discuss the why and how of the Outlook program. Does Outlook information help farm people to help themselves - that is, is it educational or is it servicing their troubles, or both? To what extent can Outlook information be used in extension programs and how and to what extent can it be used in other programs?

Dr. W. W. Charters of Ohio State University states that the aim of any educational enterprise should be individual and social growth.

M. C. Burritt, former Extension Director of New York State, has said: "The fundamental purpose of any educational enterprise is to teach persons how to think and not what to think."

"Education is the organization of acquired habits of action such as will fit the individual to his physical and social environment." -- William James.

How do we know whether Outlook education or any other educational enterprise actually brings about individual and social growth, whether or not it teaches people how to think and not what to think?

Dr. P. J. Kruse of Cornell University in expressing these same ideas has said that the test as to whether the activity is educational is: Does the activity result in changed behavior on the part of the person whose education is in question? Is there a change in knowledge or things known? Is there a change in attitude or things felt? Is there a change in skill or things done?

1/ A talk given at the Outlook Conference program on farm-family living, Washington, D. C., October 26, 1937.

What do we mean by Outlook?

I have asked several persons to give me their interpretation of "Outlook", and here are some of the best statements:

"Outlook is an attempt to take stock of economic situations in order that we may make more enlightened adjustments in relation to situations."

Another person said, "One way to look at Outlook is to say: To the best of our knowledge let us sit down and view the future in relation to the situation and the economic facts at hand."

Another person has said, "Outlook should not be an annual affair, but should be the consistent taking of stock throughout the year. It should become an integral part of all phases of projects in extension and of other educational agencies in the county."

Eric Englund, Assistant Chief of the Bureau of Agricultural Economics, has just said in this morning's meeting, "The original purpose of Outlook was to give farmers some assistance in making adjustments now in light of what may happen ahead."

What are the aims and objectives of the Outlook program? If objectives are clearly defined then there is possible measure of accomplishment. Following are some suggested ultimate or greater aims/2 of Outlook:

- (1) To help farm families to have a more satisfactory farm family living level through increased money and nonmoney income.
- (2) To help farm families spend incomes more wisely; to make decisions and adjustments for themselves.
- (3) To help extension workers and farm families to develop a sound, well integrated, long-time extension program.

How does Outlook help specifically toward these aims? Following are some specific objectives:

- (1) By helping farm people to develop a familiarity with and to use fundamental economic principles.
- (2) By helping farm people in planning their production, marketing, and management programs. (Under management programs we might have such programs as money management, individual family financial planning, consumer education, time management, food preservation, etc.)

/2 An aim is an end in view to give direction to the educative process. An objective is a goal of growth; a specific usable knowledge, attitude, automatic response, or appreciation set up to be achieved through activities. - From a State course of study--vocational home economics.

- (3) By helping farm families to develop an appreciation of agricultural problems.
- (4) By helping to acquaint farm families with international, national, State, and county trends in agriculture and industry.
- (5) By helping farm families and groups to make recommendations for a sound long-time community and State program.

Before we discuss measurement let us see what farm people want and expect from this Outlook information. Their situation is low income and there is, perhaps, poor attitude among family members in relation to the distribution of this income. There are such attendant situations as poor health, bad housing, no convenient water supply, and too much hard work. Their need is to know how to make a living and how to meet requirements in food, in clothing and shelter, and in advancement.

What do farm people want from Outlook information?

They want solutions for immediate problems (buying a stove - whether or not to put in water this year). They want to know whether there will be an increase or a decrease in income, and why; and they want to know what adjustments they will have to make in relation to the income. They want to know how to increase their income and how to spend that income wisely so that they may have a more satisfactory living.

Does Outlook help on the immediate wants? Are we helping farm people to proceed from the known to the related unknown, from the concrete to the abstract, from the simple to the complex? Are we helping them to help themselves in using economic information for themselves so that they can make their own decisions and adjustments?

Farm people also want help in long-time planning (financial security and security independence, better farm living conditions, guidance in self-improvement). Are we helping them to go from short-time wants to long-time wants?

A specialist in New York State wrote in her last annual report the following statement: "When women ask for help with their buying problems they are usually concerned most with learning what characteristics will give satisfaction in the goods they buy and how to obtain such goods at the least cost. This covers a wide range of commodities. They expect immediate help with their problem and are usually more concerned with the personal aspect of the situation than with its social and economic significance. Extension teaching, therefore, has the problem of leading from immediate and concrete concerns into a broader interest in the marketing situation today and the need for analyzing it and working wisely for improvements."/3

/3 Taken from New York Home Management Specialist's Annual Report, page 93, 1936.

Evaluating outlook outcomes. Has Outlook information as it has been given, been effective? Is it educational? Are the rural people better able to evaluate family and individual needs and desires? Are they better able to meet situations and to develop goals in long-time spending? Is the farm family using for themselves economic information in such a way that they are making their own choices, decisions, and adjustments? Have their incomes been increased through their own action? (We have the story of the farmer who called the county agent and asked when to sell his wheat. The farmer sold the wheat and increased his income. The farmer's education, however, was not benefited.) What evidences do we have that show that farm families have a better standard of living? Is there a more sound community and county program?

Only by observation and by knowing what people are doing, what they are thinking, and what they are saying, can the extension worker know some of the intangible results that cannot be measured by counting, such as the development of discriminating judgment.

Following are some suggested measurements:

- (1) How is the farm family spending money up and above the necessities of life? We notice in the annual reports so many home accounts kept, so many family councils held. Do you see any differences in the family living as a result?
- (2) Is there any difference in the type of reading the farm family is doing? Are they reading more State and international news items? Is the farm family reading the newspaper more intelligently? Have we broadened their horizon?
- (3) What are the kinds and amounts of interests in Outlook information displayed by individuals?
- (4) What is the degree to which rural people show interest in Outlook information? (Do they ask the college or the extension service for this?)
- (5) What is the extent to which the press uses Outlook information?

Now, besides observation, we have the measure of activities:

- (1) Continuity of attendance by contacted people.
- (2) Number of counties contacted.
- (3) Total enrollment at meetings.
- (4) Number and kinds of projects through which Outlook information is being used.

The educational outcomes must show change in knowledge, in attitude, or in skill. It is difficult to get a measure of information, although information checks could be set up; it is difficult to get a measure of attitude, although we have said that we could get this through observation; but we can get changed action which is a measure, usually, of a change in knowledge, a change in attitude. And we have the following measures:

- (1) Number of farm families assisted in increasing the income through efficient production, marketing, or managing.
- (2) Number of farm families assisted in reducing cash expenditures by adjustment in relation to the food products raised on the farm, adjustment in relation to making repairs, making clothing, bartering farm or home products for other commodities, and by exchange of labor.
- (3) Number of farm families making recommended changes in their business as a result of keeping accounts.
- (4) Number of farm families on relief assisted in becoming self-supporting.
- (5) Number of farm families budgeting expenditures in relation to income.
- (6) Number of farm families making adjustments in advancement items - showing wise selection.
- (7) Number of farm families following recommended methods in buying food, clothing, furnishings for the home.
- (8) Number of families assisted in using timely economic information as a basis for readjusting family living.
- (9) Number of families assisted in making adjustments in homemaking to gain a more satisfactory standard of living.
- (10) Such items as dwellings constructed, yards improved, water installed, home appliances purchased, are evidences of a higher level of living.

Summary.

Education is a slow process. We must take it at slow strides. It is necessary for rural families to have and to use Outlook information if they are to accomplish their short-time wants and their long-time wants. We must know just what can be expected from Outlook information. We need to measure the effectiveness of this material so that we can see where to make changes.

Through Outlook we can help rural families to analyze their own situations and their own needs. We can help them to work out the solutions to

their own problems in helping them to acquire and use knowledge that will inspire them to action. It must be their own action out of their own knowledge and convictions./4

/4 Adapted from definitions of educational enterprise by M. C. Burritt, former Extension Director, New York State.

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UNITED STATES DEPARTMENT OF AGRICULTURE
BUREAU OF HOME ECONOMICS
STUDY OF CONSUMER PURCHASES
Washington, D. C.

Division of Farm Family Income Among Farm Furnished Goods,
Money Expenditures for Family Living,
and Change in Net Worth 1/

During 1936, data on farm family living were collected by the Bureau of Home Economics as part of a nation-wide survey undertaken as a Works Progress Administration project, in cooperation with the Bureau of Labor Statistics, the National Resources Committee, and the Central Statistical Board.

Previous studies of family living have indicated that a number of factors influence family spending. The importance of income is the best known. The number of persons in the family and their age also affect expenditure patterns. The regions in which families live, whether they live in cities, villages, or on farms, and whether they are Negro or white, native born or foreign born are important, too. One purpose of the study of Consumer Purchases was to measure the influence of these factors somewhat more exactly than has hitherto been possible. Accordingly, the investigation was limited to white families that included husband and wife, both native born, except in the South, where Negro families were studied separately. Data were then tabulated so that groups of families, similar in all but one respect, could be compared.

For analyzing family expenditures in the North and the West, farm communities were combined where there were similar types of farming, making 10 type-of-farming analysis units. When families in each of these were classified by family type there were 37 groups. In the Southeast, white farm operators were combined into 3 type-of-farming analysis units, and Negro farm operators into 2; these were then classified by family type, making 20 analysis groups. Thus, there was a total of 57 farm analysis groups when classed by type of farming and type of family. The families in each of these analysis groups were classified according to the income interval in which they fell.

Average money expenditures for family living, average value of farm-furnished goods used by the family and average change in net worth were obtained for each of these 57 groups. For each group, data show changes in expenditures for the various items of family living with changes in income. Expenditure-income relationships also can be compared as among family types in the same farm area, and for the same family type in different farm areas.

1/ Presented by Dorothy Brady at the Farm Family Living Outlook Conference, October 1937.

The accompanying tables and charts present selected data from preliminary reports for certain areas. Table I permits comparisons of families of the same type at different income levels and comparisons of families of different types but with similar incomes, as to average total expense for living and average change in net worth in four different farm areas. Tables II and III each show for Pennsylvania and Ohio farm families one income group only, giving differences in expenditure patterns for families of different types. Tables IV and V show for selected income classes and family types the distribution of income and expenditures for Oregon and Washington farm families. The charts present the data from Tables IV and V for the two types of family in the form of curves, and show both the detail of expenditures and the relationships between average expenditures and average change in net worth at different income levels. (Charts 23 and 24.)

Relationship of average total expenditures to income

An examination of the preliminary tables indicates that the income-expenditure data for different classes of families show striking similarities, though they are similarities in direction rather than in magnitude. Table I illustrates for two averages the nature of these similarities. Almost every one of the 12 analysis units (four farm areas with three family types from each) shows that expenditures increase with increasing income--which was to be expected. However, if the pairs of columns, showing money expense for family living and change in net worth are inspected together, it can be seen that in every analysis unit there is a tendency for money expense for family living to increase with income much less rapidly than does change in net worth. The latter starts at a much lower amount and tends to overtake the average expenditure for family living at the highest income class shown. As income increases, there is a slowing-down of the rate of increase of expenditures, and, as a necessary consequence, the change in net worth increases more and more rapidly.

When all classes of families for a complete income range are studied we find almost uniformly at the two extremes of the income range a distinct tendency away from a constant increase of expenditures with increase in income. At the highest part of the income range, average expenditures increase less and less with increases in income. It appears that after a given point in the income scale is reached, average expenditure might increase very little, if at all, with increase in income. The charts showing the division of farm family income display this tendency towards an upper level of expenditures. This phenomenon has been observed before, but only in surveys of farm families confined to limited areas. Such a tendency to an upper limit of the farm family's level of living has been attributed to various causes, among them: the competition between the family and the farm business (or other form of investment) for the available income; the lack of opportunity in the rural environment for conspicuous consumption, and for increasing expenditure for cultural development; and even the essential democracy and lack of class distinction in a rural community. It is possible, moreover, that after several years of depression, and, in some localities, drought, the tendency towards limiting expenditures in order to pay debts may have been more unusually pronounced.

At the lower end of the income scale we find what can be called a minimum below which average expenditures do not fall. This lower limit of average expenditures might be interpreted as a kind of minimum subsistence level. It also might be a reflection of the fact that a farm family's living in a given year is determined only in part by the net income of that year. Assets built up in other years often are drawn upon; or debts contracted to supplement an unusually low income in one year, must be paid in more prosperous times.

In addition to income, the number of persons in the family determines its economic level. Preliminary findings show that for families of different sizes these lower and upper limits of expenditures are different. In general, the larger the family the greater are these bounds of expenditures; that is, the minimum is higher, and so is the maximum. The two charts indicate how the family composition changes the expenditure-income curves.

Farm families in the Southern States were classified by color and tenure. Not all the data are available yet, but a summary comparison of the expenditures of families of white operators with those of Negro operators in one Southern State suggests that the minimum and maximum levels already indicated are lower for Negroes than for whites. One explanation is that most of the Negro families probably had been continuously in a low income group, and consequently were not influenced to live beyond their current incomes by established habits of spending or by the hope of future income.

An examination of similar data from a number of areas suggests that the point where a tendency towards a maximum can be observed depends upon the income distribution in the community. Prevailing expenditure patterns doubtless affect both the minimum that is spent, regardless of income, and the upper limit where increasing net worth is preferred to spending. Income distributions of Negro families are low, and both upper and lower levels of spending are lower than for white families. The families of California citrus fruit growers, who had higher incomes than most of the other groups of farm families studied, devote a much greater proportion of their income to family living than do other farm families.

Relation of expenditure groups to income

While all of the major groups of family expenditures seem to follow this same general relation to family income, the upper level of expenditures for certain groups is reached sooner (on the income scale), than for others. Average expenditures for food, household operation, personal care, and tobacco show the tendency not to increase further with income, when the family income has reached a point slightly above the average income for the community. Other groups, such as the automobile, medical care, and recreation continue to increase with income until the income has reached a point approximately twice the average income of the community.

The value of farm-furnished goods, in particular the value of food furnished by the farm for family consumption, might well be expected to remain at a constant level, independent of the family income. This, however, is not the case. The value of the food provided the family by the farm, and the value of the housing both increase with income. Because of limitations of the family's capacity to consume, there is an upper limit on the value of home-produced food it can use but this is not reached until the income is relatively high. The amount, kind, and value of farm-furnished food vary also with the region and type of farming.

Relation of change in net worth to income

The complement of this picture of a decrease in rate of spending is the over-increasing proportion of the income that goes to increasing net worth as income rises. Families at the very lowest income levels decreased their assets or increased their liabilities to obtain the meager amount for the minimum necessary for their living. At a fairly low level--when the net money income lies between \$500 and \$1000-- the majority of families begin to depart from a mere balancing of living expenditures with income and apply part of their funds to paying off obligations or increasing assets. This greater portion of the income which goes to increase net worth is shown by the triangular sections in the charts.

At a higher point in the income scale families begin to increase inventory, through increasing livestock and/or withholding of farm crops from sale. Aside from this item, which appears fairly uniformly in all the different regions, the items which make up the increase in net worth vary greatly from one region to another. Payments on the principal of the farm mortgage, increased bank accounts, investments in new farm machinery (not replacements) and in life insurance are, however, quite generally the largest items in all the regions.

Relationship of money expenditures, value of farm-furnished goods, and change in net worth to family type

Table II and table III, in which families are classified by type, indicate in a general way how family size affects the division of income. In some items of expenditure, differences between family types are clear and show the expected variation with size of family. In others, differences, while still distinct, do not always appear in the same order. The average family income, given in the first line of these tables, shows that within a given \$250 income interval incomes are approximately the same for the three family types. The average value of farm-furnished goods, shown in the second line of the table, increases steadily with the size of family, doubtless because of the increased food supply necessary to feed more persons. The third line, money expenditure, tells the same story - larger families spend more for family living; and the fourth line gives the complement to this relation - larger families devote less of their incomes to increasing their net worth. It may even be necessary for them to go into debt or to decrease their assets when the family income is less than \$1000.

Relationship of family type and distribution of expenditures

The second section of tables II and III shows the major groups of family expenditures and the percentage each forms of the total. As in the case of farm-furnished food, purchased food also increases with the size of the family, both in amount and as a percentage of the total. The highest expenditures in the two income levels shown and for all three types of families are for food.

The variation in the order of the averages for household operation suggests that in this category where many different items appear, families may attempt to adjust their expenditures in different ways. In general, families with one or two small children are found to spend the most for household operation, and families with a large number of children spend the least.

Automobile expense is one of the four highest expenditure groups for all types of families at all income levels. The order of differences between family types is not very well defined. In general, families with five or six children spend the least; families of husband and wife only, or husband, wife, and one or two small children next; and families with one or two grown children the most.

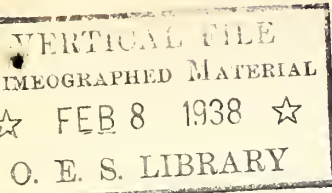
Clothing again shows the definite order of increasing expenditure with increasing size of family. Even though the family as a whole spends more on clothing when there are more members to clothe, the husbands and wives spend less for their own clothing when families are large. Part of the expense for clothing the members of large families is met by decreases in the amounts spent by both the husband and the wife.

Summary

Family type and income affect the relationship between the total amount spent for family living and the amount devoted to changes in net worth, and influence the way in which total spending is apportioned among the many items entering into family living.

In a given analysis group of farm families, there tends to be a minimum level of spending reflected in the average expenditures for the lowest income classes studied, and a tendency toward a maximum level of expenditure indicated by the averages for the highest income classes found. In the central portion of the income range, differences in expenditures are approximately proportional to differences in income. The whole shape of this expenditure-income curve is related to the income distribution of the community. The amount of these minimum and maximum levels and the rate of increase of expenditures with income at levels between the low and high; vary from one type of family to another, and from one farm area to another.

When incomes are similar, average expenditures for nearly every item differ with family type. (Tables II and III; IV and V.) For some expenditures, such as food, clothing, recreation, and personal care, it is easy to understand why families composed of different numbers of persons should spend differently. In explaining differences in other types of expenditures, such as for household operation and for the automobile, one must consider both different family needs and wants and the variety of ways in which families can adjust for those needs and wants within the limits set by their incomes.



THE OUTLOOK FOR FARM FAMILY LIVING IN 1938

Summary

For the country as a whole, net cash income available for farm family living and for savings has been higher in 1937 than in 1936, but may be somewhat lower in 1938 than in 1937.

Total income from farm marketings in 1938 may be somewhat lower than in 1937 since the expectation is for lower prices for farm products. The expenses of production in 1938 are likely to be slightly higher than in 1937, because of rising wage rates and increased prices for many materials used in production. Consequently, the net money returns from marketings which remain after paying the expenses of production probably will be smaller in 1938 than in 1937. Income from Government payments in 1938, including those to cotton producers on account of the 1937 crop, are expected to be somewhat greater than in 1937. However, this income in Government payments is not likely to be sufficient to offset the decline in net returns from marketings. Hence in 1938, farm money income (net returns from marketings and Government payments) may tend to be lower than in 1937.

Income from farm marketings and from Government payments are supplemented by more or less money income from nonfarm sources. The extent of this supplementation probably will be no greater in 1938 than in 1937; hence total cash income available after meeting farm production expenses may decline somewhat.

The farm family's net cash income from farm and nonfarm sources is allocated to purchases for family maintenance, to payment of debts, and to increase of assets. The proportion of the available funds allocated to increasing net worth tends to rise as money income rises.

The amount of goods and services which a given amount of cash will provide for family living--the purchasing power of this money income--depends upon price levels. Retail prices of some commodities, such as automobiles, furniture, furnishings, shoes, and fuel, may increase somewhat in 1938. The rise in marketing costs and in wholesale prices of some manufactured goods during 1936 and early 1937 have not yet had their full effect in retail markets. However, lower retail prices for other important items of family living, as for some foods and perhaps cotton and rayon clothing, will tend to offset these price increases, so that total living costs of farm families probably will not change greatly in 1938 unless there is a marked change in the general price level.

Judging from the ways of spending now current among farm families, it seems probable that low-income groups will devote the increased amounts made available for family living in 1937 largely to food, clothing, and the automobile, although small increases will be made in each of the main groups of living expenses. Even in the case of the more well-to-do, a portion of the increase will go for food, but considerably more will go for the purchasing and operating of automobiles, for clothing, medical care, for furnishing and running the house, and for recreation. With net money incomes of farm families in 1938 expected to be a little lower than in 1937, and with prices of goods and services needed for living about the same or a little higher, expenditure patterns in 1938, while not expected to change much from those of the last 2 years, probably will tend toward economy rather than toward increased spending.

Home production of food and fuel as a means of providing non-money income has been stimulated by the educational programs of the Extension Service and the Farm Security Administration. Governmental policies which

have encouraged increased use of land for feed crops, have had as one consequence an increase in the quantity of home-produced milk, eggs, and meat for family use. Since the buying power per unit of farm products is expected to be lower in 1938 than in 1937, the farm family may find it advantageous to plan a well-balanced 1938 program of production of food and fuel for its own use, thus conserving cash for goods and services which the farm cannot readily furnish.

Cooperative buying of consumption goods may increase somewhat along with increase in cooperative buying of farm production goods. The demand for informative labelling and selling by grade to consumer buyers is growing.

Money Income from Farming

Gross cash income, United States as a whole

The income of farmers from marketings of farm products and from Government payments has been estimated at 9 billion dollars for the calendar year 1937. This represents an increase of 14 percent over the \$7,865,000,000 income of 1936, is more than twice as large as the \$4,328,000,000 received in 1932, and is the highest for any year since 1929, when income from farm marketings totaled \$10,479,000,000. Of the expected gross-income increase of \$1,135,000,000 in 1937 over 1936, receipts from farm marketings account for about 1 billion dollars, and larger Government payments for the remainder.

Greater receipts from sales in 1937 were due chiefly to higher prices in the first part of the year and, in the latter part, will be due to larger crops. Since considerable portions of many of the important crops will not be marketed until early 1938, farm income for 1937 will not

show the full effect of this year's large crop outturn. Income from livestock and livestock products thus far in 1937 has shown only a small increase over 1936 and during the remainder of the year is not expected to exceed the 1936 income. It is important to note that only a small part of the 1937 cash receipts from livestock represents returns from sales of capital assets, such as foundation breeding stock. During the drought years such sales contributed heavily to the money receipts of farmers in certain areas.

In 1938, with the changes in prices and marketings now in prospect, it seems probable that total income from farm marketings may be somewhat lower than in 1937. Income from Government payments, under existing legislation, including those to cotton producers on account of the crop of 1937, will be greater. Taking into account both income from marketings and Government payments, the total cash farm income in 1938 may be somewhat less than in 1937.

Government payments to farmers during 1937 have been larger than in 1936. During the first 8 months of this year such payments amounted to \$346,000,000 as compared with \$287,000,000 for the entire year of 1936. A small part of the payments on the 1936 agricultural conservation program are still to be made and will supplement the payments already begun on the 1937 program, for which \$500,000,000 was appropriated. The estimated cash income of farmers during 1937 includes only the actual government payments which will be made in the calendar year which probably will be from \$400,000,000 to \$450,000,000.



Farm production expenses

Increased expenditures for farm production have offset to some extent the higher gross cash farm income of 1937. Higher prices for seed, fertilizer, feed, and other supplies as well as higher wage rates paid to farm labor, and the greater quantities of these goods and services required to produce the larger crops of 1937, all combined to increase farmers' total expenses for production.

Net cash income from farming

Net cash income available to farmers after deducting production expenses will be considerably higher in 1937 than 1936, the increase in gross income being sufficient to more than offset the rise in farm production expenses of 1937. However, in 1938 if the total cash income from marketings and from Government payments should be about the same as in 1937, and if expenses of farm production remain about the same or continue upward, the net cash income of farmers will be about the same or perhaps somewhat lower than in 1937.

Receipts by regions

Because crop production in 1937 was more nearly normal than in such years as 1934 and 1936 when drought was widespread, farm income during 1937 and the first half of 1938 will be more evenly distributed throughout the country. Although in the drought years the prices of many farm products advanced sharply, this advance did not offset the curtailment in marketings by those farmers whose production was cut below normal by the weather.

On the basis of figures showing regional receipts from marketings of principal farm products, the greatest improvement in cash income during the first 8 months of 1937 as compared with 1936 occurred in the South Central States, and the smallest gain in the West North Central region. In



each of the other four regions the 1937 gains in income over the preceding year were about the same as the average for the entire country.

During the first half of 1938 the North Central States will be likely to show an improvement in income over 1937 relatively greater than other regions because of increased marketings of this year's favorable crops. Also returns from livestock marketings during late winter and early spring will be increased, owing to the 1937 situation.

The South Central States in the first 8 months of 1937 had relatively the greatest improvement in farm income compared with 1936, chiefly because of larger crops. In the eastern section of this area, income during the remainder of 1937 may be smaller than in 1936, but in the western part increased production of cotton and wheat may more than offset lower price levels.

In the Western States, the relatively large improvement in income during the first 8 months of 1937 is expected to continue throughout the calendar year and into 1938.

In the West North Central States during the first 8 months of 1937, income was about the same, month by month, as in 1936. During the remainder of the year it is probable that income will be somewhat higher than in the same period of 1936. Although the corn crop is expected to be below normal in 1937 in this area, it will be appreciably larger than the short crop in 1936 in most sections with the expected maintenance of the relatively good prices for livestock and livestock products during the first part of 1938, income from these sources will probably be greater next spring than in the spring of 1937.

In the East North Central States the month-to-month improvement over the preceding year has been less marked since July 1937 and income during the latter part of 1937 may not be much larger than in 1936. As prices of meat animals, dairy products, poultry and eggs in the first half of 1938

are not expected to differ greatly from prices prevailing in the corresponding period of 1937, farm income from these sources during the first 6 months of 1938 will be determined mainly by volume of marketings.

In the North Atlantic region, farm income in the first 8 months followed the same trend as last year but at a slightly higher level. It is expected that this higher income level will continue throughout 1937. Dairy and poultry products are major contributors to farm income in this area. Although no material change in prices for these products is expected in 1938 as compared with 1937, the net income from these enterprises in 1938 probably will be greater than in 1937 because of the material decrease expected in feed-grain prices.

In the South Atlantic States, income during the first 8 months of 1937 was slightly higher than during the corresponding period of 1936. During the last 4 months larger crops (apples and winter wheat) will add materially to the income in the northern section. In the southern section larger returns from tobacco may about offset the smaller income from cotton, thus maintaining income at about the 1936 level.

Income of farm laborers from agriculture.

The foregoing discussion refers to farm operators. Farm laborers, dependent partially or wholly upon wages from agriculture, often dwell in villages or small cities or are migratory workers. No information is available as to the extent to which laborers seasonally employed in agriculture find employment in other occupations during the remainder of the year.

Total earnings of farm laborers in 1937 have increased over those of 1936 to the extent that the larger crops have necessitated more labor. An increase in earnings of farm laborers represents a transfer of purchasing power from the farm operator to the farm wage earner, rather than a change in the total income from agriculture.



The index of farm wage rates has risen 71 percent since the low of 1932. During the same period farm income of operators more than doubled. Farm wage rates in different regions now range from about \$17 to \$46 per month with board, and from about \$24 to \$67 per month without board. Surveys made by the Bureau of Agricultural Economics in 1936 in 10 counties of the country show that the average money earnings of male adult laborers ranged from \$125 to \$347 in the previous 12 months. In some cases food and housing furnished by employers added considerably to money remunerations.

Other Income from Farm and Nonfarm Sources

The farm family's net cash income from agriculture is supplemented to a greater or lesser extent by income in kind, especially food, and by cash from nonfarm sources, such as earnings of sons or daughters, or rents from property.

Nonmoney income from farming.

For the country as a whole, the year 1937 has been favorable to the production of food for family use. However, in some localities drought, grasshopper plagues, or excessive rainfall have interfered with gardens. Production of meat, milk, and eggs for home use may have been below average because of inability fully to replace poultry flocks and meat animals since the enforced liquidations of the drought years of 1934 and 1936. Comparatively high prices of meat in 1937 may have tempted some families to retain fewer animals than usual for home consumption. But the generally favorable outlook for home-produced food from garden and orchard points to an improvement in living levels, not only in the calendar year of 1937 but also in the early months of 1938, in proportion to the quantity and kind of food canned and stored.

When well-planned programs of food production for home use can be carried out, the family benefits in two ways: directly, from a better food supply; and indirectly, because cash otherwise needed for food can be released for other purposes. Recognizing this, the Extension Service and the Farm Security Administration have continued to carry on educational programs promoting farm production of food for family use. The Soil Conservation practices carried out under Government auspices have led to some increased use of land for feed crops, and this in turn probably has resulted in increased production of meat, milk, poultry, and eggs for family use.

The average money value of farm-furnished food per family ranged from less than \$100 in one locality to more than \$500 in others, in 1935-36, according to a study made by the Bureau of Home Economics in counties selected to represent specific type-of-farming areas. In the Southeast, the Negro families, although larger than the white, had less farm-furnished foods. Share-croppers, as a rule, had less than operators.

The figures reported in this study for money value of farm-furnished food are higher than some current estimates. This is due in part to the more adequate accounting in this study of the quantities of fruits, vegetables, milk, and other farm products actually consumed by the family, and in part, to the method of evaluation. Prices that would have been paid to neighbors or to other likely sellers for goods of similar quality bought in similar quantity, were applied to quantities estimated to have been consumed. These prices were, of course, somewhat higher than farm prices received for such products from commercial buyers.

Whether the farm family should be encouraged to increase its home-production program depends upon a number of factors, such as whether cash income is high or low, whether the value of land for commercial

production is greater than its value for producing the family's food, and upon the buying power of farm products marketed. Since the buying power per unit of farm products is expected to be lower in 1938 than in 1937, many families may find it advantageous to enlarge their home-production programs beyond those of 1937 in order to reduce food purchases.

Money income from nonfarm sources.

Comparatively little has been known of the extent to which farm families supplement their income from farming with cash from nonfarm sources. According to the Census, farm operators the country over spent a little more than 200,000,000 days in work off the farm in 1934.

Additional information for certain localities now is available from the previously mentioned study of the Bureau of Home Economics. Figures on 1935-36 incomes of families in 66 counties selected to represent 20 regionalized type-of-farming areas, show that cash income from nonfarm sources was relatively high in the Northeast and on the Pacific Coast, where it amounted to one-eighth or more of total net income (money and nonmoney) and from one-fifth to two-fifths or more of the total net money income. Even in the Middle West, where money income from nonfarm sources was a small percentage of total money and nonmoney income, it formed an appreciable share of the money income -- usually from one-eighth to one-sixth. Disregarding figures from the lowest and highest areas, the average nonfarm money income for the middle 10 of the 20 areas studied was in the neighborhood of 20 percent of all net money receipts. Earnings of farm operators from work involving use of teams and farm machinery were excluded from these figures as were data from part-time farms.



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There is some interest in the source of this additional cash. Most of it came from earnings of family members from employment off the farm. Smaller amounts came from interest, dividends, and from renting property. Average net returns of all families from tourists and other roomers or boarders were small, since fewer than one family in 10 had income from this source. However, average returns to the families engaged in keeping roomers and boarders were considerable, amounting, for example, to \$193 per family in the counties studied in New Jersey; \$133 per family in Central California, and \$90 per family in the counties studied in Vermont.

For the country as a whole, during the last 2 years, some earnings of farm family members were made possible because of local W.P.A. projects. In 1936-37, with improved business conditions, opportunities for industrial employment of some farm-family members probably increased over those of the previous year. The extent to which, in 1938, farm families will be able to supplement farm income with earnings off the farm, will depend upon opportunities for outside employment which may be fewer than in the recent past.

Apparently most farm families depend for their livelihood chiefly upon their money income from agriculture and upon the products furnished by their farms. Money income from other sources may be of appreciable assistance. But whether most farm families are poor, moderately well-to-do, or rich will be determined by crops raised, prices received for them, and prices paid for goods and services purchased.

Prices of Goods Purchased by Farm Families

Prices paid for commodities bought for family maintenance have increased considerably since June 1936. The all-commodity index of items purchased for farm-family living increased 6.6 percent between June 15, 1936,

and June 15, 1937, while the food index increased 8.8 percent; clothing, 6.5; operating expenses, 4.8; furniture and furnishings, 6.0; and building materials, 7.1 percent. On the whole, prices of commodities bought for family living probably will be about the same in the first half of 1938 as in 1937. However, if there should be a marked change in the general price level, it will be reflected in family living costs.

Retail food prices have been declining a little during the last few months and some further decline is probable in 1938. Prices of dairy products and eggs may be expected to rise seasonally until December, followed by a downward seasonal trend in the early part of 1938. Prices of most fruits and vegetables are expected to advance seasonally during the next 6 months. Meat prices are likely to average lower than in 1937 with most of the decline in the better grades of meat. Prices of flour and perhaps some of the manufactured cereal products are expected to average somewhat lower next year owing to the abundant grain crops in 1937.

Prices of ready-to-wear clothing, especially for men, have had an upward trend in 1937. Some further increase in 1938 may occur in prices of the garments wherein wages constitute a large part of the retail cost, but no marked change is expected. Prices for shoes may average somewhat higher in 1938 than in 1937.

Although labor costs in manufacturing plants have risen, prices of yard goods and textile products as a whole may average lower in 1938 than in 1937. Prices of raw cotton have declined sharply and rayon and wool prices may be a little lower in 1938.

Prices of fuel and lighting materials have advanced a little in 1937 and the slight upward trend may continue in 1938 but no marked rise is expected. Prices of petroleum products, especially fuel oil, probably will average a little higher in 1938. No marked change is expected in gasoline prices; the increase in gasoline consumption, if continued, may tend to offset possible lower prices due to technological improvements. Prices of bituminous coal advanced some in the last year and probably will be somewhat higher in 1938.

Automobiles, 1938 models, are higher in price than were those of 1937. Prices of automobile tires and tubes are expected to average the same or a little lower by the end of 1937 but may rise slightly in 1938.

Furniture prices, according to trade sources, may be somewhat higher in the next year. Prices of radios were increased from 10 to 15 percent in August and no significant further change is anticipated soon. Prices of electrical appliances are expected to average a little higher next year than in 1937.

Wholesale prices of building materials have advanced somewhat and construction costs have risen sharply during the last few months. Retail prices of building materials have lagged behind this rise and therefore may be expected to increase somewhat in 1938, even though wholesale prices do not advance further.

Adjustments in Family Expenditures

The 14-percent increase in agriculture's gross cash income in 1937 over 1936 may mean a somewhat larger percentage increase in cash available to the farm operator and his family. However, this increase in available funds will not be devoted solely to farm family living; investments and



payment of debts will claim some share. An increase even of 20 percent over 1935-36 in the average amount spent for family living would mean only \$83 more per family among those in the typical income class in one of the least well-to-do farm communities included in the Bureau of Home Economics study. In one of the wealthiest communities, it would mean an increase of only \$150 in the expenditures of the most typical income group.

Use of additional funds varies, of course, from family to family, depending on customary levels of living, on recent retrenchments or enlargements in budgets, and on many other special considerations. In the face of the family's many unsatisfied desires, it is difficult to forecast adjustments in living expenditures.

However, it seems safe to assume that some of the available income will be devoted to purchases of electric power and equipment. Projects amounting to over \$50,000,000 have been approved by the Rural Electrification Administration, and construction is under way. It is estimated that 1,125,000 farms will be receiving electric service by the end of 1937. Through R. E. A. projects about 150,000 additional farms probably will be served in 1938, and private utilities have lines under construction which will add 75,000 more.

Some indication of how increased funds available for family living in 1937 may be used is given by a comparison of the ways of spending of two typical groups of families whose average expenditures were about \$100 apart in 1935-36. In a general farming area the average distribution of the additional \$100 was found to be as follows: Clothing, \$19; food, \$14; medical care, \$13; automobile, \$11; house operation, \$11; house repair, \$8; furniture and equipment, \$8. The remaining \$16 was allocated to numerous smaller

items, including personal care, formal education, reading, recreation, amusements, tobacco, and gifts. In most other localities, food, clothing, and the automobile were the strongest claimants for additional cash, with medical care the next runner-up as families became more well-to-do. These trends give some indication of what use probably will be made of the increased cash for family living in 1937.

Expenditure patterns of farm families today differ considerably from those of the early 1920's. Now as then, food ranks first in order of amount spent. Despite generous supplies from the farm, average food expenditures of the most usual income class of white farm operators in 1935-36 ranged from 27 percent of total living expenses in the South to 41 percent in Vermont. Clothing expenditures used to rank second in importance; now second rank is claimed by automobile expense among half of the most usual income groups. This car expenditure represents only the family's share (usually 50 percent) of total expense for automobile purchase and operation.

This change in the rank of automobile expense is significant for farm family living. It must mean less isolation, more opportunities for social contacts, more group discussions of agricultural problems by farm men and women, more recreation, and, in general, a better rounded, more satisfying life.

Statistical evidence of this new importance of the car in family living also must change our thinking regarding family expenditures and the use we make of such data in determining what the dollar spent for family maintenance will buy. No longer will an index weighted primarily by expenditures for food and clothing serve to indicate the trends in the cost of living of farm families.

Thrift in using what money is available seems to be characteristic of farm families. Families with average net money incomes of \$500 (sometimes with less) managed in half of the areas to have something left for getting ahead financially. As incomes increase, the amounts spent for family maintenance rise, but less rapidly than does income. More and more of the net money income goes into debt payments, insurance, improvement of the farm home, and other increases in net worth until in the upper income brackets the family spending more than 60 percent of its net cash for living is the exception rather than the rule.

With incomes available for farm family living for 1938 expected to be a little lower than in 1937, and with prices of goods purchased for farm family living about the same or a little higher, any changes in family spending patterns in 1938 probably will tend toward greater economy.

Family Purchasing

With little prospect for increased income for family living in 1938, farm families may be expected to continue their active interest in consumer buying problems. That such interest has been growing among all families -- city, farm, and village -- is evidenced by: Inclusion of discussions of the problems of the consumer buyer in programs of numerous women's clubs and other organizations; the larger number of articles on the subject appearing not only in so-called women's magazines but in trade journals; the wider use of informative labels, both those showing United States Department of Agriculture grades for canned goods, and those of other types; and the growth of consumer cooperatives.



A development of major significance in the consumer buying movement in 1937 has been the increasing recognition of the movement by various business groups. Leading trade papers, advertising agencies, and other marketing specialists have commented on the women's requests for more specific buying information. Important distribution concerns have joined with consumers in urging manufacturers to give more informative labeling. To take care of certain phases of problems of adequate grades and labels for consumption goods, such organizations as the Consumer-Retailer Relations Council and the Advisory Committee on Ultimate Consumer Goods of the American Standards Association have been created.

Study of consumer problems in schools and among adult study groups has increased greatly during the year. Ten State Departments of Education or State Universities are now distributing consumer study outlines. In one State, education in consumers' cooperation has been made compulsory in secondary schools; in another, a special appropriation has been made for the development of this type of education in the public schools.

The growth of cooperative buying associations in the United States continued in 1937. Many farmers' purchasing associations handle some supplies used in family living, although their primary purpose is to buy farm supplies used in production. It is estimated by the Farm Credit Administration that during 1937 approximately 45 percent of those associations handled petroleum products including kerosene and gasoline; 23 percent, flour and groceries; 16 percent, general merchandise; 12 percent, coal; and 2 percent, clothing. Interest in cooperative buying bids fair to continue strong in 1938.

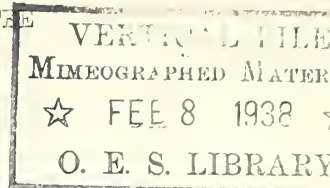
Some 200 new associations, primarily engaged in cooperative purchasing, were organized during 1937. These newly organized associations have a membership of approximately 50,000 and increase the total number in such associations to more than 1,000,000. It is estimated that the wholesale and retail business done by the 2,200 cooperative purchasing associations in 1937 will represent about a 20 percent increase over 1936, and will amount to approximately \$400,000,000. Although this is a small proportion of the total volume of purchasing, the trend is significant.

Use of low-cost credit also will be practiced by thrifty farm families. For those who are eligible to borrow from banks and production credit associations, credit for purchases for farm family living may be included in the regular farm production loan budget, provided the added sum can be repaid out of the farm income. In obtaining credit for farm production or family living (including the purchase of household equipment), worthwhile savings are possible through borrowing on a business basis and buying for cash instead of using so-called "easy credit" payments. Such savings contribute to the net income available for family living and for increasing net worth.

REPORT OF THE NATIONAL OUTLOOK CONFERENCE COMMITTEE

WASHINGTON, D. C.

October 30, 1937



1. Your committee wishes to thank the State representatives who cooperated in giving the suggestions on which this report is based. The committee divided the suggestions into two groups: (1) Those suggestions which were of a regional nature, or which applied to details of conducting the conference, and (2) those which had a general application to the plans for preparing Outlook material and conducting the National Outlook Conference. All the suggestions that were received will be typed and submitted to the committee in the Bureau of Agricultural Economics, which is responsible for planning the Washington conference. The second set of suggestions has been incorporated into this report. Therefore each individual suggestion will receive proper consideration.
2. Your committee feels that improvement has been made in the method of preparing and presenting Federal Outlook Reports in recent years. We wish to express our appreciation for this accomplishment on the part of the Federal staff and request a continuation of this effort. Many have stated that "the Outlook program this year has been better arranged and the material presented in a more usable manner than in any previous year."

The policy of sending the preliminary reports and chart booklets out to the States, prior to the National Conference has met with universal favor. If possible these reports should arrive in the States at least 10 days prior to the time the delegates must leave to attend the National Outlook Conference. In several States where the reports were received early enough this year, they were read by various members of the staff and written suggestions and criticisms made available for consideration at the national meeting. The extent to which this procedure will be followed will no doubt increase next year, with a better understanding of the plans for conducting the national conference. To have these reports considered by subject-matter specialists seems to be a desirable procedure.

The practice followed this year of giving the discussion simultaneously with the chart presentation, and reading only the summary of the reports is to be commended.

3. The representatives from the States were of the opinion that the Federal Outlook Conferences are very valuable but that the policy of making changes to meet the conditions under which the State representatives are operating be continued. The monthly commodity-situation reports have met with universal approval. The continuous use of these monthly releases by State extension workers makes it desirable however to spend less time at the National Outlook Conference on commodity reports than was formerly done. Many have suggested that the time thus saved on discussing commodity reports be devoted to the consideration of fundamental economic principles underlying demand, consumption, monetary policy, the outlet in industrial centers for surplus farm labor, trade agreements, and related topics.

Since it is hard to tell at the present time the particular topics in which we will be most interested next year, the suggestion was made that a questionnaire be sent to State representatives, who will attend the conference next year, and allow them to suggest those topics which they would like to have discussed.

Although many of these topics are of a general economic nature, they do have a very vital bearing on the welfare of farm families. In other words a part of the conference should be devoted to teaching fundamental principles which will prepare the State workers to make better interpretation of current data as they become available.

In keeping with this idea was the suggestion that the objectives and plans of the various governmental action groups such as Agricultural Conservation, Soil Conservation, Agricultural Credit, etc., be explained, and if possible that there be further coordination of the plans for these agencies before they are submitted for the consideration of State workers. Further emphasis was given this point by those who suggested that more attention be given to the long-time and less to the short-time Outlook.

4. It was requested that special emphasis be placed on the livestock and feed grain situation in the midsummer issues of the monthly commodity situation reports, and that the beef-cattle situation carry more information on the stocker and feeder Outlook.
5. The home economists requested that material and data pertaining to the Farm Family Living Outlook be published regularly in the Agricultural Situation or in some other current release.
6. Another suggestion for conducting the national conference is that part of the discussion of commodity reports be by regional groups. Others have pointed out however the disadvantages of this procedure since the national point of view would be lost. Some of the best ideas are secured by workers in one section from comments made by the representatives of other geographical regions. It was also pointed out that this procedure would be time consuming and hard to work into a program which lasts for only 1 week. Still another suggestion was that regional group meetings be held during the conference for joint discussion of local problems and adaptation of material to local needs.
7. The need for more coordination was mentioned in that the approach should be from the point of view of the entire farm business and less from the commodity point of view. Outlook material should influence the farmer to plan a cropping system which will conserve fertility, control erosion, and return the highest possible net farm income. This approach seems to be more fundamental than an attempt to get shifts in acreage because of the short-time price forecast.
8. That the name of the conference be changed from "Outlook Conference" to "Economic Conference" was also mentioned.

9. Where there is a fundamental difference of opinion among those who prepare the commodity report, some think that the minority opinion should be presented, with reasons for the difference of opinion.
10. The home economists requested more joint sessions of the men and women for the presentation of material which has special reference to family financial planning, such as the data presented by Dr. Sliebling on Wednesday afternoon.

Committee:

P. E. Johnston, Chairman - Illinois.
J. H. McLeod - Tennessee.
Miss Nell Pickens - Alabama.
H. C. Woodworth - New Hampshire.
Miss Ruby Simpson - Iowa.
Miss D. E. Wiesendanger - New York.
A. W. Willis - Wyoming.

SOUTH BUILDING, U. S. DEPARTMENT OF AGRICULTURE

503-38

DIVISION OF COOPERATIVE EXTENSION

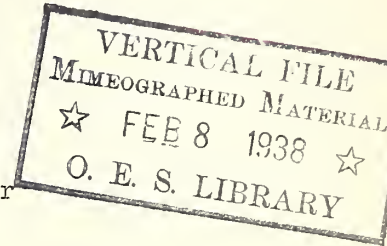
Location: 12th to 14th Streets, and Independence Avenue
to C Street, SW.

Reached by: Any car line, transferring at 14th and G Streets
to the Bureau of Engraving car
Taxi, fare 20 cents for 1 or 2 persons, in first
zone, plus 5 cents tip

ROOM NUMBERING SYSTEM:

All room numbers are made up of four digits:

The first digit indicated the floor
The second digit indicates the corridor
The last two digits indicate the room



Corridors:

7 corridors run North and South, numbered 1 to 7, beginning at 12th Street.
1 corridor runs East and West along Independence Avenue, numbered 0.
1 corridor runs East and West along C Street, numbered 8 and 9.
(Numbers begin at 12th Street)

Note:

East and West passage on the basement and first floors cannot be effected on the C Street corridors because of the obstructions represented by the entrances to the courts between the wings; and on the 6th floor between the 4th and 6th wings because of cafeterias and kitchens.

Examples:

Room 1039 (Conference Room) - 1st floor, corridor along Independence Ave.
Room 5901 (Director Warburton - 5th floor, corridor along C Street, near 4th wing.
Room 6509 (Rokahr and Birdseye) - 6th floor, 5th wing, near Independence Ave.

ENTRANCES:

There are North and South entrances to each wing, and a main entrance on the center of the 14th Street side -
All entrances are locked at 5:30 p.m., except the center entrance on 14th Street, which is open until midnight; and the North entrance to the 4th wing (Independence Avenue) which is never locked.

ELEVATORS:

All elevators stop running at 5 p.m. except the center elevator on the 14th Street side, which runs until midnight; and the elevator in the North end of the 4th wing, which stops at 6 p.m.

SERVICE DINING ROOMS AND CAFETERIAS (all on 6th floor):

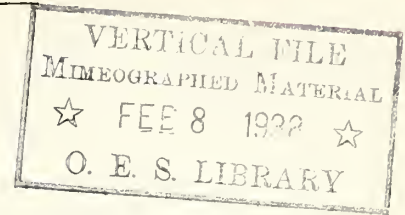
Reach service dining rooms by passing down 6th wing toward C Street.
Reach cafeteria by passing down 4th wing toward C Street.

LADIES' ROOMS:

The most convenient ladies' rooms are located as follows:
First floor: North ends of corridors 3, 5, and 7.
Fifth floor: South ends of corridors 4 and 6.
Sixth floor: South ends of corridors 4, 5, and 6.

FARM-FAMILY LIVING OUTLOOK CONFERENCE

October 25-30, 1937



General Information

ROOMS - 6508 and 6063 (Bureau of Home Economics Library) are set aside for committee meetings and individual conferences.

WRAPS - may be left in Room 6508.

EXHIBITS - State Farm-Family Outlook Literature.
New publications on Economics of the Household.
New Bureau of Home Economics publications will be found in Room 6063, Bureau of Home Economics Library.

LUNCHEON - Luncheon may be obtained at the cafeterias at the South end of corridors Four and Six.

Service luncheon (10 cents for service) may be obtained in Rooms 6951-53.

The Cafeteria (end of Wing 5) during the entire week may be used by Outlook delegates, and overflow dining space will be found in Food Utilization Laboratories, same corridor.

OUTSIDE CONTACTS - for conferences may be made through Miss Birdseye's and Miss Rokahr's secretaries in Room 6509.

TOUR - Saturday, October 30, at 7:30 a. m. to 9:30⁰⁰ a. m.,
Farm Women's Market, Bethesda, Md.

Sign your name and tear off slip if you wish to attend this tour. Return the slip to Florence L. Hall, Extension Home Economist, Eastern Section, Room 5447.

Name

State

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Extension Service
U. S. Dept. Agr.

STATE REPRESENTATIVES TO FARM-FAMILY LIVING OUTLOOK CONFERENCE

List of those who notified Extension Service in advance that they would
attend the Conference, October 25-30, 1937

Central States.

Mrs. Ruth Crawford Freeman, College of Agriculture, University of Illinois,
Urbana.
Miss Ruby Simpson, Miss Dorothy Simmons, Iowa State College of Agriculture,
Ames.
Miss Georgiana Smurthwaite, Mrs. Eunice Pardee, Kansas State College, Manhattan.
Miss Ida Hagman, College of Agriculture, University of Kentucky, Lexington.
Miss Julia Pond, Michigan State College, East Lansing.
Miss M. Lois Reid, Department of Agriculture of the University of Minnesota,
St. Paul.
Miss Muriel L. Smith, College of Agriculture, University of Nebraska, Lincoln.
Miss Julia E. Brekke, North Dakota Agricultural College, State College Station,
Fargo.
Miss Thelma Beall, College of Agriculture, Ohio State University, Columbus.

Eastern States.

Miss Gladys E. Stratton, Connecticut State College, Storrs.
Miss Ruth Minturn, University of Delaware, Newark.
Miss Edna M. Cobb, College of Agriculture, University of Maine, Orono.
Mrs. Harriet J. Haynes, Massachusetts State College, Amherst.
Miss Ann F. Beggs, University of New Hampshire, Durham.
Mrs. Ruby Greene Smith, Miss Jean Warren, Miss Delpha E. Wiesendanger, New
York State College of Agriculture, Ithaca.
Mrs. C. P. Brooks, University of Vermont and State Agricultural College,
Burlington.
Miss Gertrude Humphreys, College of Agriculture, West Virginia University,
Morgantown.

Southern States.

Miss Nell Pickens, Alabama Polytechnic Institute, Auburn.
Mrs. Ida A. Fenton, Extension Service, 524 Post Office Building, Little Rock.
Miss Isabelle Thursby, State College for Women, Tallahassee, Fla.
Miss Willie Vie Dowdy, Georgia State College of Agriculture, University of
Georgia, Athens.
Miss Mary-Louise Collings, Louisiana State University, Baton Rouge.
Miss Kate Lee, Mississippi State College, State College.
Miss Pauline Gordon, North Carolina State College of Agriculture, State College
Station, Raleigh.

Mrs. Bonnie V. Goodman, Oklahoma A. & M. College, Stillwater.
Mrs. Elizabeth L. Speer, College of Agriculture, Knoxville, Tenn.
Miss Maude Wallace, Miss Sallye Hamilton, Virginia Polytechnic Institute,
Blacksburg.

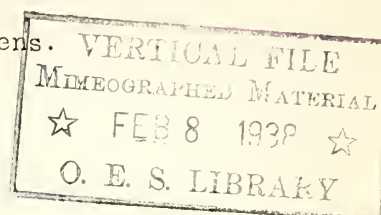
Western States.

Mary G. Collopy, College of Agriculture, University of Wyoming, Laramie.

Extension Service,
U. S. Dept. Agr.

STATE REPRESENTATIVES WHO ATTENDED THE NATIONAL OUTLOOK CONFERENCE IN
WASHINGTON, D. C., OCTOBER 25-30, 1937

Auburn, Ala. - Glenn G. Stewart, H. R. Bailey, Miss Nell Pickens.
Tucson, Ariz. - G. W. Barr.
Little Rock, Ark. - Mrs. Ida A. Fenton.
Storrs, Conn. - E. A. Perregaux, Miss Gladys Stratton.
Newark, Del. - R. O. Stelzer, A. D. Coble, Miss Ruth Minturn.
Gainesville, Fla. - R. H. Howard, Miss Isabelle S. Thursby.
Athens, Ga. - L. E. Farmer, Miss Willie V. Dowdy.
Urbana, Ill. - P. E. Johnston, J. C. Hackleman, Howard F. Bigelow, W. B. Combs
(Chicago), Mrs. Ruth C. Freeman.
Lafayette, Ind. - T. G. Hornung, J. C. Bottum, John Sheay, Starley M. Hunter.
Ames, Iowa - L. G. Allbaugh, I. W. Arthur, L. K. Soth, Miss Ruby Simpson,
Miss Dorothy Simmons.
Manhattan, Kans. - Vance Rucker, George Montgomery, Mrs. Eunice Pardee.
Lexington, Ky. - R. E. Proctor, A. B. Poundstone, L. G. Hobson, Miss Ida Hagman.
Baton Rouge, La. - M. J. Voorhies, J. L. Lee, Miss Mary Louise Collings.
Orono, Maine - Smith McIntyre, Miss Edna Cobb.
College Park, Md. - S. H. DeVault, J. E. Metzger, A. L. Schrader, E. C. Ikeler,
A. B. Hamilton, H. A. Edge, Miss Margaret McPheeters, Jessie Hinton.
Amherst, Mass. - Fayette H. Branch, Ellsworth W. Bell, Mrs. Harriet J. Haynes,
Grace Gerard.
E. Lansing, Mich. - R. V. Gunn, H. A. Berg, Miss Julia Pond.
St. Paul, Minn. - S. B. Cleland, Miss Lois Reid.
State College, Miss. - L. R. Paramore, J. V. Pace, Miss Kate Lee.
Columbia, Mo. - D. C. Wood.
Lincoln, Nebr. - W. H. Brokaw, A. G. George, Miss Muriel Smith.
Reno, Nev. - L. E. Cline.
Durham, N. H. - H. C. Woodworth, Miss Ann F. Beggs.
New Brunswick, N. J. - W. F. Knowles, L. E. Bevan.
State College, N. Mex. - E. E. Anderson.
Ithaca, N. Y. - M. C. Bond, Glenn W. Hedlund, F. A. Harper, Miss Delpha E.
Wiesendanger, Miss Jean Warren.
Raleigh, N. C. - J. F. Criswell, Miss Pauline E. Gordon.
Fargo, N. Dak. - Harry G. Anderson, Miss Julia E. Brekke.
Columbus, Ohio - V. R. Wertz, F. S. DeLashmutt, Miss Thelma Beall.
Stillwater, Okla. - H. A. Miles, A. W. Jacob, T. R. Hedges, Mrs. Bonnie Goodman.
Corvallis, Oreg. - L. R. Breithaupt.
State College, Pa. - Kenneth Hood, H. N. Reist.
Kingston, R. I. - John L. Tennant, Miss S. E. Coyne.
Clemson, S. C. - O. M. Clark, George Prince (Columbia), M. C. Rochester, W. L.
Abernathy, P. S. Williamson, Portia Seabrock.
Brookings, S. Dak. - Poul Christophersen, Miss Mary Covert.
Knoxville, Tenn. - E. P. Callahan, J. H. McLeod, Mrs. E. Speer.
College Station, Tex. - C. A. Bonnen, W. E. Morgan.
Logan, Utah - Miss Myrtle Davidson.
Burlington, Vt. - H. R. Varney, Mrs. Charlotte P. Brooks.
Blacksburg, Va. - B. L. Hummel, Miss Maude Wallace, Miss Sallye Hamilton.
Morgantown, W. Va. - Austin Goth, Robert Overing, Miss Gertrude Humphreys.
Madison, Wis. - Don S. Anderson, Miss Josephine Pollock.
Laramie, Wyo. - A. W. Willis, Miss Mary Collopy.
Canada - J. F. Booth (Ottawa), J. B. Rutherford (Ottawa), S. H. H. Symons
(Toronto), J. T. Lamontagne (Quebec City).
P. R. - Vincenti Medina.





Extension Service
U. S. Dept. Agr.

> STATE REPRESENTATIVES TO FARM-FAMILY LIVING OUTLOOK CONFERENCE

List of those who notified Extension Service in advance that they would
attend the Conference, October 25-30, 1937

Central States.

Mrs. Ruth Crawford Freeman, College of Agriculture, University of Illinois,
Urbana.
Miss Ruby Simpson, Miss Dorothy Simmons, Iowa State College of Agriculture,
Ames.
Miss Georgiana Smurthwaite, Mrs. Eunice Pardee, Kansas State College, Manhattan.
Miss Ida Hagman, College of Agriculture, University of Kentucky, Lexington.
Miss Julia Pond, Michigan State College, East Lansing.
Miss M. Lois Reid, Department of Agriculture of the University of Minnesota,
St. Paul.
Miss Muriel L. Smith, College of Agriculture, University of Nebraska, Lincoln.
Miss Julia E. Brekke, North Dakota Agricultural College, State College Station,
Fargo.
Miss Thelma Beall, College of Agriculture, Ohio State University, Columbus.

Eastern States.

Miss Gladys E. Stratton, Connecticut State College, Storrs.
Miss Ruth Minturn, University of Delaware, Newark.
Miss Edna M. Cobb, College of Agriculture, University of Maine, Orono.
Mrs. Harriet J. Haynes, Massachusetts State College, Amherst.
Miss Ann F. Beggs, University of New Hampshire, Durham.
Mrs. Ruby Greene Smith, Miss Jean Warren, Miss Delpha E. Wiesendanger, New
York State College of Agriculture, Ithaca.
Mrs. C. P. Brooks, University of Vermont and State Agricultural College,
Burlington.
Miss Gertrude Humphreys, College of Agriculture, West Virginia University,
Morgantown.

Southern States.

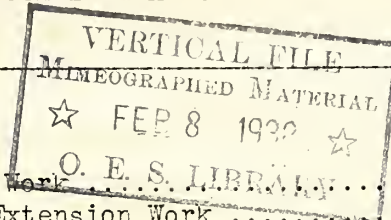
Miss Nell Pickens, Alabama Polytechnic Institute, Auburn.
Mrs. Ida A. Fenton, Extension Service, 524 Post Office Building, Little Rock.
Miss Isabelle Thursby, State College for Women, Tallahassee, Fla.
Miss Willie Vie Dowdy, Georgia State College of Agriculture, University of
Georgia, Athens.
Miss Mary-Louise Collings, Louisiana State University, Baton Rouge.
Miss Kate Lee, Mississippi State College, State College.
Miss Pauline Gordon, North Carolina State College of Agriculture, State College
Station, Raleigh.

Mrs. Bonnie V. Goodman, Oklahoma A. & M. College, Stillwater.
Mrs. Elizabeth L. Speer, College of Agriculture, Knoxville, Tenn.
Miss Maude Wallace, Miss Sallye Hamilton, Virginia Polytechnic Institute,
 Blacksburg.

Western States.

Mary G. Collopy, College of Agriculture, University of Wyoming, Laramie.

DIVISION OF COOPERATIVE EXTENSION 503-38
OFFICE AND TELEPHONE INFORMATION
FOR REFERENCE USE BY OUTLOOK DELEGATES - 1937



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H. W. Hochbaum, In Charge, Eastern Section	5447	659
H. W. Gilbertson, In Charge, Central Section	5428	660
C. L. Chambers, In Charge, Southern Section	5438	4667
W. A. Lloyd, In Charge, Western Section	5446	662
A. B. Graham, In Charge, Extension Specialists with National Area	5435	387
H. M. Dixon, In Charge, Agricultural Economics Section	2643	664
M. C. Wilson, In Charge, Extension Studies and Teaching Section	5534	653
L. A. Schlup, In Charge, Visual Instruction and Editorial Section	5937	325
W. H. Conway, In Charge, Budgets and Projects	5923	4018

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BUREAU OF HOME ECONOMICS.

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Day Monroe, Chief, Economics Division	6030	2428
Lela E. Bocher, Chief, Foods and Nutrition Division	6408	2295
Ruth O'Brien, Chief, Textiles and Clothing Division	6433	2434
Helen S. Holbrook, Household Equipment	6530	2624
Mildred B. Porter, Household Equipment	6526	2624
Ruth Van Deman, Information, Editorial and Home Economics	6056	2425
Mamie F. Nystrom, Library	6063	2426

AMERICAN HOME ECONOMICS ASSOCIATION.

Helen W. Atwater, Editor, Journal of Home Economics, Mills Building, 17th Street and Pennsylvania Avenue, NW.	Me-5437
Mrs. Katharine Ansley, Executive Secretary, Mills Building, 17th Street and Pennsylvania Avenue, NW.	Me-5437

OFFICE OF EDUCATION.

J. W. Studebaker, Commissioner, 1800 H Street, NW.	909 Di-1820-13
Bess Goodykoontz, Assistant Commissioner, 1800 H Street, NW.	905 Di-1820-426
Mrs. Katherine M. Cook, Special Problems, 1800 H Street, NW.	810 Di-1820-486

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Susan F. Burson, Special Groups	720	Di-8388-44
Boulah I. Coon, Studies and Research	722	Di-8388-36
Marie White, Central Region	721a	Di-8388-47
<u>FARM SECURITY ADMINISTRATION.</u>		
Mrs. Clara B. Thompson, Chief of Home Management, Under Rehabil- itation, South Building, U.S.D.A.	0225	4842
M. Attie Souder, Home Economist, Resettlement Division of Farm Security Administration, Barr Building, 910 17th Street, NW.	406	158
<u>RURAL ELECTRIFICATION ADMINISTRATION.</u>		
Miss Clara Nale, Home Electrification Specialist, Investment Building, 15th and K Streets, NW.		Di-1525-722
<u>WORKS PROGRESS ADMINISTRATION.</u>		
Mrs. Ellen S. Woodward, Assistant Administration, 1734 New York Avenue, NW.	916	Di-2310- 28
<u>FARM CREDIT ADMINISTRATION.</u>		
Julia O. Newton, Chief, Family Credit Section, Bureau of Information, Southern Building, 1300 E Street, NW.	316	Di-1050-492
<u>SHOPS.</u>		
Woodward & Lothrop, Department Store, F Street at 11th, NW. ...		Di-5300
Garfinckel, Julius, Department Store, F Street at 14th, NW. ...		Na-7730
Jelleff, Frank R., Women's Shop, 1216 F Street, NW.		Me-0300
Hecht Co., Department Store, F Street at 7th, NW.		Na-5100
Palais Royal, Department Store, G Street at 11th, NW.		Di-4400
<u>BEAUTY SHOPS.</u>		
Woodward & Lothrop, 11th Street at F, NW.		Di-5300
Frank R. Jelleff, Inc., 1216 F Street, NW.		Me-0300
Katie Dunn, 517 11th Street, NW.		Me-8549
<u>RESTAURANTS.</u>		
Allies Inn, 1703 New York Avenue, NW.		Na-0523
The Parrot, 1701 20th Street, NW.		No-8918
Association of American University Women, Clubhouse, 1634 I Street, NW.		Na-5590
Herzog's Sea Food, Water Street at 11th, SW.		Me-9762
Beck's Sea Food, 9th and Water Street, SW.		Di-5862
Latch String, 612 - 12th Street, NW.		Na-7306
Tally-Ho, 810-17th Street, NW.		Me-8083
Brook Farm Tea House, 6501 Brookville Road, Chevy Chase, Md. ..		Wi-4566

Tel.
no.

RESTAURANTS (Continued).

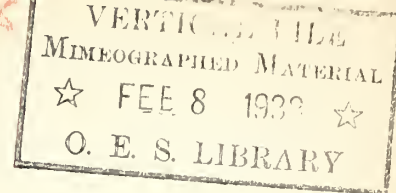
Childs Restaurants:

1340 New York Avenue, NW.	Me-3243
600 North Capitol Street	Li-8664
1423 Pennsylvania Avenue, NW.	Me-6718
Collingwood Tea House, Collingwood, Va.	Alexandria 2683-J-2
The Smorgasbord, 1632 K Street, NW.	Na-1443



THE
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A
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HELD
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ON
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10TH
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OF
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1892

RESOLVED
THAT
THE
NOMINEES
FOR
GOVERNOR
AND
VICE
GOVERNOR
BE
JOHN
B. ALDEN
AND
JOHN
W. ALDEN

FARM PROBLEMS AND THE 1938 AGRICULTURAL CONSERVATION PROGRAM

A series of radio talks by F. R. Tolley, Administrator, J. B. Hutson, Assistant Administrator, Ivy Duggan, Director, Southern Division, F. F. Elliott, Director, Planning Division, Maxine Finsterwald, Consumers' Counsel Division, all of AAA; H. M. Dixon, Principal Economist, and Mary Rokahr, Senior Home Management Specialist, Extension Service, broadcast Wednesday, November 10, 1937, in the Department of Agriculture period of the National Farm and Home Hour, by the National Broadcasting Company and a network of 70 associated radio stations.

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SALISBURY:

During November, farm men and women in communities all over the country are meeting together to consider the agricultural problems of the present and the future. To summarize for this audience some of the facts before these community meetings, we're presenting today a group of Department of Agriculture people. Presiding over the group is Mr. Howard R. Tolley, Administrator of the Agricultural Adjustment Administration. Mr. Tolley.....

TOLLEY:

Thank you, Morse. Here's what this is about: As farmers look ahead to 1938 and succeeding years, they are thinking, first, how they may safeguard their incomes so that their families may have a good living; second, how they may carry on their farming operations most efficiently and maintain the farm as a good producing unit.

They are also thinking of the part they play in the economic life of the nation, both as producers of food and fiber and as consumers of the manufactured goods other groups have to sell.

(more)

TOLLEY (continued):

Naturally, then, they will want to size up their Agricultural Conservation Program for 1938. They will also want to consider what further measures may be needed, in 1938, or in following years. For they are determined to continue to improve their farm business and their way of living -- for agriculture is a way of living as well as a business. They are determined to prevent the occurrence in the future of situations like those of 1932.

Well, so much for generalities. We need to review our present situation and to understand the forces that can change the situation.

We need to know how extremes of supply and price of farm commodities affect farm families, how they affect the soil, how they affect city families. We need to know what efforts will serve us best, and in what respects our efforts will fail to meet our needs. First, then, the present situation of agriculture. I'll call on Mr. H. M. Dixon, extension farm economist, to give us some of the important facts.

DIXON:

Early this fall American farm families, except those in regions suffering from drought or other natural calamities, were at the peak of a 5-year rise in economic improvement. This rise has been a part of the whole national recovery. Recently, however, prices of some commodities have been falling rapidly and crop loans have been made available to cotton and corn growers.

At the present time, following a 5-year period of improvement, we face real problems of maintaining the gains and avoiding the recurrence of some of the hardships that made the situation so difficult for farm families at the depth of the depression.

(more)

DIXON (continued):

Increasing consumer incomes and volume of production of industrial goods, together with the Triple-A programs, played a large part in the 5-year upward trend of general welfare. The National Agricultural Outlook Report, just issued by the Bureau of Agricultural Economics, reveals the general belief of economic analysts, that the recession in the recovery movement which became evident a few weeks ago may continue far enough into 1938 that American consumers won't have as much money to spend for farm products next year as they had this year. Moreover, the demand for our farm products by people in other countries is not expected to increase greatly over that of 1937.

As the prospects for demand for farm products point to some weakening, past experiences lead economists to look for increased production of some of the more important farm products. While increased production of meat animals would apparently be desirable, increased production of some staple products such as corn, wheat, and cotton is not needed. Economists forecast that if wheat growers respond normally to the present situation, and if the weather is normal, next year they will produce a crop of over a billion bushels. Wheat growers can easily understand the probable effect on their income of a crop approximately 25% above average.

As to cotton, it is now quite clear that we have the largest world supply of this crop on record, much of which will be carried over into next season. Next year's cotton crop in this country will have to sell in competition with the large supplies of cotton held over from previous crops as well as large production in other countries. The corn carryover also will be large.

DIXON (continued):

Im summarizing, the farm families who look the facts in the face will count upon somewhat less money being spent for their products next year, upon the/certainty of large supplies of cotton and corn being carried over, and the possibility of a large wheat crop being harvested in this country in 1938. It is evident therefore that American farmers have some large questions before them which will require more careful planning both as individuals and as a group not only this year but in the years ahead. Further details concerning prospects for the major crops will be set before farm families at the agricultural conservation program meetings this month and at outlook meetings held by the State extension services this month and later.

TOLLEY:

Thank you, Dick. Mr. Dixon has reported that cotton and corn farmers are now facing the problems of surplus and low prices and wheat farmers may be only one season away from the same problems. Prospects for farm income in 1938 are uncertain. Now, what do variations in supply and price of farm products mean to farm families? I'll ask Miss Mary Rokahr, extension home economist, to report on this. Miss Rokahr.....

ROKAHR:

During the past 20 years the women of the farm family have had much opportunity to learn how the ups and downs of supply and price affect them. In fact, I might say too much of an opportunity.

Twenty years ago they sold their wheat, cotton, hogs and cattle at war time prices. They had a large income, as farm incomes go. And then came a land boom. Based on the belief that these very high prices would continue many families mortgaged the homestead during this boom to get more money to buy more land at these inflated values. Whole communities mortgaged themselves for new roads and fine new school houses.

ROKAHR (continued):

Then, as we all know, came an after-the-war crash. The prices of farm products and farm land dropped so fast you could hardly see them going down. For the next ten years farm families worked harder and harder to produce more and more farm products at smaller and smaller prices.

This was the time when the family had less and less to spend for clothing, gasoline, education, labor-saving machinery and everything they had to buy. This, of course, had a reaction on city families. It shut off the market for hundreds of millions of dollars worth of products of city factories and threw hundreds of thousands of city people into the bread lines.

Even though a farm family economized all it could, it couldn't make the cash income cover interest on the mortgage, taxes and even provide the barest necessities for family living. Many farm homes went under the auctioneer's hammer. For a farm woman of the older generation it was a bitter experience to see her son or grandson become a tenant on the farm which the family had homesteaded 50 to 100 years ago.

Some farm families had the even more bitter experience of going on relief themselves. So I think most farm women would like to have a program that would help to give them greater security from year to year.

TOLLEY:

Thank you, Miss Rokahr. As you've said, the ups^{and downs} of supply and price, and unstable farm income, are truly hard on farm people. They are also hard on the farm itself. I'll call on Mr. Ivy Duggan, Acting Director of the Southern Division of the Triple-A, to report how extremes of supply and price affect the land.....

DUGGAN:

Low farm income is a long-time, as well as an immediate, handicap to farm families and the nation.

Under the mailed fist of low income, farmers have been forced to over-crop their soil. As Miss Rokahr said, the farm family must pay the taxes, interest, production costs, and living expenses from the sale of farm products.

As prices and income go down, some farmers feel they must keep every possible acre in cash crops like cotton and corn.

Thus, they deplete the fertility of the land, subject it to erosion, and decrease the chances of producing economically in the future.

Furthermore, unstable income brings on farm mortgage foreclosures. The man threatened with foreclosure, and the tenant, can seldom afford any sacrifice of immediate income. This means they overcrop the soil, put off the work and expense of growing soil-conserving crops, building terraces, stopping gullies, or changing to improved farm practices when this involves a change of equipment or cash outlay that can't be gotten back in the same crop year.

In the past hundred years, erosion has permanently ruined an area of farm land equal in size to all the farm land in two large midwestern States. That does not include the millions of acres of land that has been badly damaged, though not ruined. This damage has been scattered so we haven't noticed it enough, but it's just as costly as if all the ruined and damaged land were together in one great eye-sore.

Some farming areas are so depleted that many people have had to leave, and those who remain cannot maintain a decent standard of living.

We cannot afford this destruction. We know the present dangers, and we need no oracle to point out the danger to our future.

TOLLEY:

Yes, Ivy, we need only to use our eyes and our common sense to see what soil depletion and erosion have done to us. And there are still other human problems that we must consider. Three-fourths of our people do not live on farms. How do ^{downs} ups and/of supply and price affect these people? We put this question to Miss Maxine Finsterwald of the Consumers' Counsel Division of the Triple-A.

FINSTERWALD:

Depression hits as hard -- often harder -- in the cities than on the farms. Many farm families with virtually no money income still have plenty of food. But most city families depend entirely on money income. If that stops very long, they can't buy anything.

Studies reveal that such conditions often start when farm families stop buying goods which the cities produced. Farm families stop buying city goods only when their incomes go down so far that they can't buy. Heavy surpluses have decreased farm income.

That's one extreme -- farm and city depression started by surplus and low prices. The opposite extreme -- scarcity and high prices -- fortunately has never hit this country on many necessary commodities at the same time. Extremely high prices on even a few commodities have brought dismay to many city families. The average city family sometimes has to revise its budget or buy less desirable products, or both, when prices of some things go too high. Their experience indicates what would be the result if many commodities ever become extremely scarce and the prices extremely high. Earnings of city workers always lag behind price rises, and so many families live on very limited earnings that there's terrific human risk in the extreme of scarcity and high prices. City families know they want to avoid this extreme. They welcome soil conservation and food conservation, either in the form of stored-up products or in the form of stored-up soil fertility that will produce food in abundance.

(more)

However, they are less likely to fear extreme surpluses and low prices. And our recent experience indicates that this is the greater danger, for now at least. The danger diminishes as city families realize that their incomes and the incomes of farm families go up and down together. City families want neither extremely large nor extremely small supplies of what the farmers produce and they can afford to pay neither extremely high nor extremely low prices.

TOLLEY:

All of which makes the problem no simpler. What, then, shall we do? Mr. F. F. Elliott, Director of the 3-A Program Planning Division, will tell what kind of a program we believe is needed.

ELLIOTT:

Obviously, as Miss Finsterwald said, a national farm program should aim to help city and town families as well as farm families. We are one people, and no sizeable group of us can long profit at the expense of others. Nor can any sizeable group of us suffer hardships for long without bringing hardship on others. We need better balance between farm and non-farm income.

So national farm programs must provide means of establishing and maintaining stable, adequate farm production and farm income in such balance with non-farm production and non-farm income as will provide a better living for all of us. The question is -- how to do this.

Let's consider the problem in two parts: First -- how much should farmers produce? Second, at what level should their income be stabilized?

With respect to the first question -- how much should farmers produce? the answer is they must first produce enough to meet the requirements of American consumers. They also should produce enough in addition to take advantage of whatever export outlets that are open at reasonable prices.

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To do these things, they need to maintain carry-over and reserve supplies to meet shortages caused by drought or other uncontrollable natural hazard. The need for soil conservation also helps determine the amount farmers should produce. This country will need great supplies of food and fiber for many years to come. As our population increases and as our standards of living improve, we may be able to use a greater production and waste less of it. But if that is to be true, we must husband our resources. We must not squander them needlessly. Historically, we find that exploitation has put the brake on forward progress in many nations. Closely connected with the aim of adequate production and the aim of soil conservation is a third factor determining how much farmers should produce. This is the need for avoiding surpluses so large that they bring smaller farm income and industrial unemployment.

The great body of farmers have discovered that working single-handedly, they cannot produce the right amounts to meet demand to conserve the soil, and to avoid ruinous surpluses. Therefore, we need a farm program in which they can decide these things together and work them out together.

As to the second question -- Where should farm income be stabilized? The answer in the present law is that it should be stabilized at parity. Let me speak briefly therefore about parity income. There was a period before the World War when the income of farmers and non-farmers was in good balance. Farm and non-farm people were able to buy from each other quite freely. The present Soil Conservation and Domestic Allotment Act defines parity income as an income that will give farm people the same purchasing power in relation to the purchasing power of people not on farms as they had in the five years before the war.

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If farm people had had this parity income in 1936, they could have spent 25 per cent more for city goods and services. If farmers could regain and stabilize their income at parity, not only would they increase their purchasing power for manufactured goods but they would help maintain steadier employment in the cities.

Farm and city people alike will agree that this is desirable. They can mutually support a farm program which encourages the conservation of soil and economic use of land, and which will result in security and stability -- that is, security on the one hand against low prices and low income, and security on the other hand against weather and fluctuating yields. Such a program would protect consumers, prevent ruinous surpluses, and give farmers greater purchasing power for the city goods they want.

TOLLEY:

Buck Elliott has stated the objectives to strive for. The next question is how near the 1938 conservation program can come to reaching these objectives. For comment on this -- Mr. J. B. Hutson, Assistant Administrator of the Triple-A.

HUTSON:

The 1938 Agricultural Conservation Program will go a good way toward meeting the needs Buck Elliott reviewed. In the interest of conservation, cooperating farmers will need not only to plant a part of the land in soil building crops but also to hold down acreages of the crops that deplete the soil and produce price-breaking surpluses. This will help to stabilize farm prices and farm income.

(more)

The conservation programs indirectly influence the volume and therefore the prices of farm products. They encourage greater use of efficient farming methods. And they improve land so that it can produce more when and if more food, feed, and fiber are needed.

With the support of farmers, the 1938 program will continue to operate in the interests of better soil, better balanced farming, and better farm income. It is less complicated for the individual farmer to apply.

However, we want to be perfectly frank about the results we can expect from the conservation program.

Some things it will not do, regardless of how completely the farmers put it into effect.

The conservation program alone cannot fully prevent the accumulation of burdensome surpluses that come with good growing conditions and big crops. It offers no means of storing up in the years of high production reserves against future needs.

A farmer practicing conservation makes his land better able to combat drought, and he grows a greater proportion than ordinary of crops that resist drought. But no conservation program by itself can adequately insure a farmer against losses due to drought, insect damage, or other natural causes. Nor can it assure the consumer an adequate supply of foodstuff every year.

Those are the principal limitations of the 1938 conservation program, as it stands now. These limitations are inevitable under the Soil Conservation and Domestic Allotment Act.

Despite the limitations, I am sure that farmers who study the 1938 plan will see it as a sturdy foundation on which to continue building an agriculture of balanced plenty.

TOLLEY:

Thank you, Jack. Now, Farm and Home listeners. We have seen that serious problems now confront or may soon confront the producers of the principal farm commodities. We have considered how these problems may affect farm families, the soil, and the city families. We have heard statements about the mutual needs of farm families and city families, and about how the 1938 farm program can help meet those needs.

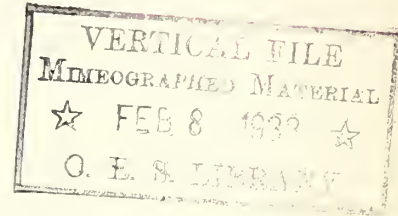
I am not going to draw conclusions from this information. You have the information, and the conclusions are yours to make.

SALISBURY:

Thank you, Administrator Tolley, and thanks to you, Mr. Hutson, Mr. Elliott, Miss Finsterwald, Mr. Duggan, Miss Rokahr, and Mr. Dixon. Farm and Home listeners, you have heard a discussion of the conditions that lie behind agricultural conservation in 1938. During November, farm men and women in all parts of the country are carrying on similar discussions. Those eligible to attend these community meetings are cordially invited to do so.

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1938 OUTLOOK.



QUESTIONS

AND

ANSWERS.

A Special Outlook Aid for Extension Workers.

U. S. Department of Agriculture
Bureau of Agricultural Economics
Washington, D. C.
October, 1937.

INTRODUCTION

At the suggestion of a number of State extension workers this set of 1938 Outlook questions and answers has been prepared. It will be useful for radio and press presentation of Outlook information as well as for an oral presentation to groups of farmers and for State, county and local Outlook workers.

Naturally these questions and answers can be improved, in many instances, by rephrasing in terms of localized problems and conditions, or by adding questions and answers bearing more directly on local situations. In general, these questions have been limited to over-all, national and international facts and to general forecasts.

Most of the questions were prepared by members of the Agricultural Economics Section of the Extension Service, and the answers by specialists of the Bureau of Agricultural Economics sitting as Outlook committees or sub-committees.

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GENERAL ECONOMIC SITUATION

Preface

The demand for farm products probably will not be as favorable in 1938 as in 1937. This outlook is based upon an analysis of the general situation which indicates that in the fall of 1937 the upswing of the business cycle has been temporarily halted. Although it is impossible to determine definitely to what extent the present recession will continue into 1938, the chances appear to be against a sufficiently early and vigorous rise in 1938 to bring the average of industrial activity and of consumer incomes for that year up to that of 1937. Foreign demand is expected to show little if any improvement.

GENERAL ECONOMIC SITUATION

1.

Question: Will the general level of all prices (wholesale) in the United States be higher or lower in 1938 than they were in 1937?

Answer: The general level of wholesale prices is expected to be lower on the average in 1938 than in 1937.....Prospective lower prices for raw materials, farm products and some kinds of manufactured goods probably will more than offset higher prices for some kinds of finished and semifinished products.

2.

Question: What change, if any, is expected in the total national income in 1938 as compared to 1937 and previous years?

Answer: The national income, sometimes used as a measure of consumers' purchasing power, is expected in 1938 to average below the relatively high level which prevailed in 1937.....Possible increases in wage rates and in some miscellaneous sources of income are not expected to offset completely a lower average level of industrial production and wholesale prices.

3.

Question: Will industrial production and factory payrolls in the United States continue to improve in 1938 as it has during the past three or four years?

Answer: Industrial production, employment and payrolls are likely to average lower in 1938 than in 1937, with the latter half of the year better than the first half.....The present recession in business activity possibly will carry far enough into 1938 to prevent a possible pick-up later in the year from bringing the averages up to those for 1937.

4.

Question: Is it expected that business in general and industrial production in the United States will likely continue to expand during the next few years?

Answer: The general economic situation points to a continuation of the

General Economic Situation

4.

generally satisfactory industrial conditions of the last year or two, following a period of hesitation or recession which we have now entered.....Many of the conditions which in the past have been associated with the termination of a major cyclical upswing in business activity now are absent. It is possible, however, that a widespread and continuing wave of pessimism among business men would so curtail business spending, including construction activity, as to induce a recession of much greater degree than is indicated above, or by strictly industrial developments to date.

5.

Question: Will farm prices be higher or lower in 1938 than they were in 1937?

Answer: The general level of prices received by farmers is expected to be lower on the average in 1938 than in 1937.....In 1937, a large production of wheat was accompanied by relatively small foreign production and relatively high prices. Cotton prices now are much lower than the average for 1937. Prices of livestock probably will decline as production increases. Any weakening in the general level of wholesale prices and in consumer incomes would be reflected to some extent in the prices received by producers for numerous other farm products.

6.

Question: How will farmers' total income in 1938 probably compare with that of 1937?

Answer: The total income of farmers in 1938 probably will be lower than in 1937.....Although income from all Government payments may be greater, cash income from farm marketings is likely to be lower.

7.

Question: If some farm prices average lower in 1938, will such reductions

General Economic Situation

7.

in prices be a result of increased production and marketings, or because of a decreased demand for those products?

Answer: Lower average prices received by producers for some farm products in 1938 compared with 1937 will be a result of both prospective increases in production and marketings and decreases in demand. The latter will be more widespread among commodities, but its effects will be smaller in degree in the case of some farm products than changes in the supply situation.

8.

Question: How do the prospects for world trade in 1938 compare to the volume of such trade in recent years?

Answer: World trade in general in 1938 is expected to compare favorably in volume with that of other recent years, despite some uncertainty in the situation.....Since the bottom of the depression was reached, increased prices of raw materials have given greater purchasing power to countries whose most important income is received from exports of such products. This has opened up a market for the finished products of industrial nations. The resulting exchange of goods has increased considerably the total volume of world trade, and now there is even talk of a shortage of ocean vessels to carry the increased commerce between nations.

9.

Question: How do the prospects for agricultural imports and exports in 1938 and immediate subsequent years compare to such exports and imports in 1937?

Answer: Exports of agricultural commodities from the United States in 1938 probably will be greater than in 1937 and immediately preceding years, while imports of agricultural commodities are expected to decline.....This will not be due primarily to changes in demand, but will result largely from increased

General Economic Situation

9.

production of farm products in the United States, making larger supplies available for export, and also shorter supplies of some commodities in foreign countries during at least a part of 1938. Foreign demand, as represented by what foreign countries are willing to pay for given quantities of American farm products, may be slightly better in 1938 than in 1937, although in any event the change probably will not be great.

CREDIT

1.

Question: Where and at what rates can farmers in sound financial position obtain short-term credit in 1938?

Answer: Ample supplies of short-term credit are available for sound credit risks at commercial banks and from production credit associations. Interest rates vary from 5 to 8 or 10 percent, varying with regions and the type of agency from which the credit is obtained.

2.

Question: What changes are expected in the volume of short-term credit used by farmers during the coming year? What are the most important factors leading to this prediction?

Answer: An increase of about 10 percent in the volume of short-term credit used by farmers is expected in 1938 because of rising costs and need for replacements and additions to equipment.

3.

Question: What are the terms on which commodity loans are being made on the 1937 crops?

Answer: Loans to producers of cotton will be available on the basis of 9 cents per pound on cotton classing 7/8-inch in Middling or better. Loans on lower staple lengths and grades will be on a relatively lower basis.

4.

Question: What new privilege regarding repayment has been granted by recent legislation to borrowers from Federal land banks?

Answer: Borrowers under new legislation may now deposit funds with the Federal land banks for later use in making regular semiannual or annual payments on their loans. Such deposits will draw interest and will be held for meeting loan payments.

Credit...

5:

Question: What type of short-term loans are being made by the Farm Security Administration?

Answer: This program includes, for borrowers who are not able to obtain credit elsewhere, (a) standard rehabilitation loans for financing small farmers whose operations are supervised by the Farm Security Administration, (b) emergency rehabilitation loans to small farmers in areas affected by drought or other catastrophes for the purpose of enabling borrowers to maintain necessary livestock, and (c) community and cooperative loans for the establishment of group services.

6.

Question: Where and how are farm purchase loans for tenants being made by the Farm Security Administration?

Answer: Farm purchase loans to tenants will be made in about 300 counties distributed among the various States on the basis of farm population and prevalence of tenancy. Only \$9,500,000 is available for this purpose in 1938 - approximately enough for the purchase of 2,000 to 2,500 farms. Provisions for making application for these loans will be announced at a later date.

7.

Question: How are payments under the Agricultural conservation program expected to influence the demand for credit in 1938?

Answer: Payments from this source will reduce, in part, the credit needs of farmers. Such payments may reach a total of \$440,000,000. It is expected that between 5 and 10 percent of such payments will be made during the last 2 months of 1937, with the bulk of the payments being paid out to farmers in the first quarter of 1938.

Credit

8.

Question: What signs of improvement are evident in the debt situation of farmers?

Answer: The position of the farmer has been improved by the rapid rise in farm commodity prices in the last few years. The total amount of mortgage indebtedness, as well as the amount of short-term credit outstanding, has been reduced, and interest rates on such credit are lower than prior to the depression. At the same time, delinquent taxes and interest also have been further reduced.

9.

Question: What has been the credit experiences of farmers during periods of rising land prices? When commodity and land prices fall?

Answer: In periods of rising land prices, farmers have tended to capitalize temporarily inflated earnings into too-high land values and often have borrowed to purchase land on the assumption that such earnings would be maintained. When commodity and land prices fall, loans obtained on the basis of the previously existing price level become difficult of repayment out of current income, and frequently cause the farmer to lose his livestock or land.

10.

Question: How can farmers take advantage of present low interest rates on mortgage loans?

Answer: Farmers who now have mortgages bearing a higher rate of interest than that now prevailing can materially reduce the carrying charges on their mortgages by refinancing them on a long-time maturity basis. Interest rates on farm mortgages are now at the lowest level in history; it is unlikely that there will be further appreciable decline in rates and there is a prospect that in the next year or two the trend may be upward.

11.

Question: What type of farm expenditures are properly financed through mortgage agencies? Through short-term agencies? What are the dangers when the wrong type of credit is used?

Answer: Long-term mortgage credit should be used to finance expenditures which cannot ordinarily be paid out of the year's current income. Short-term loans, on the other hand, should be regarded as items of current expense on which payment is deferred for a short period. Farmers should not contract such obligations unless they are reasonably sure that their gross income will cover these loans, as well as other expense items, by the time they mature. Failure to make this distinction has caused many farmers to incur excessive short-term debts that could not be liquidated when payment was demanded except by sacrificing livestock or equipment badly needed in their farming operations.

FARM LABOR, EQUIPMENT AND FERTILIZER

1.

Question: What is the long-time trend in the price of farm wages, of equipment, and of fertilizer in terms of the price of farm commodities?

Answer: Farm wage rates and prices of equipment, fertilizer and other items used in production are likely to be higher next year relative to prices received by farmers than in 1937. The upward trend in wage rates is likely to continue for some time if industrial recovery continues to take up the slack of unemployment during the next few years as now seems probable. The trend of prices of farm equipment is likely to follow closely the trend of industrial wage rates because of the large amount of labor involved in its production. Fertilizer prices have been more in line with prices of farm products during the last decade than prices of any other group of commodities bought by farmers. It is probable that the trend of fertilizer prices in the future will be quite similar to that for prices of farm products.

2.

Question: Will farm wages be higher in 1938 than in 1937? Machinery prices? Fertilizer prices?

Answer: Farm wage rates have been advancing since 1933 and are expected to average higher in 1938 than in 1937. Along with higher wage rates farmers apparently will have to pay somewhat higher prices for farm machinery, automobiles, building materials, equipment and supplies. Fertilizer prices also will be a little higher but advances in fertilizer prices are not expected to be as large as for other groups.

3.

Question: About what proportion of a farmer's current operating expenses are made up of labor, fertilizer and lime, the maintenance and operation of equipment, and the upkeep of buildings?

Answer: About 24 percent of the farmer's current expenses for productive

Farm Labor, Equipment and Fertilizer

3.

purposes are for labor; about 7 percent for fertilizer and lime; about 34 percent for the depreciation account and operation expense of his automobile, truck, tractor, and farm implements; and about 12 percent for the upkeep of buildings. In an average year about three-fourths of the farmer's production expenses, exclusive of interest and taxes, are for labor, fertilizer, building materials and farm equipment and its cost of operation.

4.

Question: What factors have contributed to the relatively slow increase in the demand for farm laborers since 1933?

Answer: Contrary to the impression in some quarters, crop correspondents have reported rather substantial increases in the demand for farm labor since 1933. The reported increases have not been reflected in sharp increases in the number of persons hired, however, for two reasons. First, mechanization of the farm business has advanced rapidly in types of farming adapted to it. Second, labor requirements were lowered materially by crop adjustment programs and drought from 1933 to 1936.

5.

Question: What is the present relationship between the supply of and demand for farm laborers?

Answer: The supply of farm labor was reported to be only about 88 men for every 100 farm jobs.

6.

Question: How will business activity in other industries influence the above relationship during the next few years?

Answer: Little change is expected in the supply-demand ratio next year. Thereafter, if activity in other industries resumes the upturn that has been in evidence since 1933, the supply of farm labor may be even lower in relation to demand than at present.

Farm Labor, Equipment and Fertilizer

7.

Question: How can farmers reduce their requirements for farm labor?

Answer: Farmers can reduce their labor requirements either by increased mechanization on types of farming adapted to it or by a reduction in total agricultural production.

8.

Question: Would 1938 be a good time for a farmer to make an investment in needed equipment?

Answer: Next year may not be a bad time for a farmer to purchase needed equipment. Although farm machinery prices probably will be a little higher than at present, farm income probably will remain near present levels. Lower prices of some farm products doubtless will tend to curtail implement purchases, however, in some areas.

9.

Question: How many farms in the United States are receiving electric service?

Answer: By the end of this year, it is estimated that 1,250,000 farms will be receiving electric service. During the next few years, possibly 225,000 farms will be added to this number annually.

10.

Question: What has been the advance in building material prices during the past year? In lumber prices? In brick and tile? In paint prices? In cement prices? How may we expect these trends to continue during the next few years?

Answer: Prices paid by farmers for building materials have advanced about 6 percent during the past year. Lumber prices have risen about 9 percent. Brick and tile are up about 3 percent. Paint is 4 percent higher. Cement prices have increased 1 percent. During the next few years prices farmers will pay for these items are likely to show some further advances.

Farm Labor, Equipment and Fertilizer

11.

Question: How high are the retail prices of fertilizer as compared with 1910-14?

Answer: Retail prices of fertilizer are now only about 2 percent higher than the pre-war average.

12.

Question: How will present conditions in agriculture influence the demand for fertilizer in 1938?

Answer: The relatively high level of agricultural income, which is an important factor in determining the quantity of fertilizer purchases, indicates a comparatively strong demand for fertilizer during 1938.

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COTTON

Revised as of the
Nov. 8 Crop Report

1.

Question: What is the total estimated world supply of cotton for 1937-38? How much of this is 1937 foreign production and how much world carry-over of cotton?

Answer: In late October the world supply of cotton for the 1937-38 season was expected to be about 51,400,000 bales, which is 16 percent larger than the record supply of the previous season. Of this total, 20,100,000 bales represented foreign production and 13,300,000 bales the world carry-over of cotton on August 1, 1937.

2.

Question: What was the 1936-37 world consumption of cotton and what is the outlook for consumption and carry-over for the 1937-38 season?

Answer: The world mill consumption of cotton last season amounted to about 31,000,000 bales and materially exceeded the record high of the previous season. The total consumption for the current (1937-38) season is expected to compare very favorably with the high of the previous season, but to be materially less than the 1937-38 production. As a result, it is expected that the world carry-over on August 1, 1938 will be much larger than a year earlier and probably about as large as those of 1932, 1933, and 1934.

3.

Question: What was the 1936-37 world consumption of American cotton? How much of this was consumed in the United States and how much in foreign countries?

Answer: World consumption of American cotton in 1936-37 totaled 13,100,000 bales. This was larger than either of the two previous seasons, but less than the average for the 5 years 1928-29 to 1932-33. Domestic consumption of American cotton last season increased to a new all-time high of nearly 7,800,000 bales, while consumption in foreign countries of 5,300,000

Cotton

3.

bales was nearly a million bales below that of the previous season and the lowest for 18 years.

4.

Question: What is the outlook with respect to world consumption and carry-over of American cotton for the 1937-38 season?

Answer: Domestic consumption during the current season is expected to be somewhat lower than the unusually high consumption of 1936-37. The decline in the United States is expected to be about offset by increased consumption in foreign countries. The total world consumption of American is, therefore, expected to be materially less than the unusually large current crop with prospects for a marked increase in the world carry-over at the end of the season.

5.

Question: What reasons are assigned for the decreased exports and foreign consumption of American cotton in the last few years?

Answer: The reduced supplies of American cotton and the increased supplies of foreign cotton and the various factors accounting for these changes. Some of the more important of the factors accounting for the changes in supplies include Government policies and activities of the various nations of the world with respect to cotton production, international trade, and trade restrictions, external currency values, and price supporting loans. In addition, increased transportation facilities in some countries, other technological changes, the private development of new agricultural areas, weather conditions, diseases, insects, and other factors largely or entirely independent of governmental activities have also had considerable effect upon the desire, willingness and ability of people in various parts of the world to produce cotton or devote their labor and other facilities to some other enterprise.

Cotton

6.

Question: What are the short-time effects of Government loans on exports and foreign consumption of American cotton?

Answer: When loan values are sufficiently high in relation to cotton prices in farmers' markets to induce producers to place large quantities of cotton in the hands of the Government, the removal of this cotton from market channels tends to raise cotton prices temporarily, particularly in relation to prices of some foreign growths and in relation to futures quotations. As a result, foreign manufacturers tend to switch from American cotton to foreign growths because they are relatively cheaper and offer more satisfactory hedging possibilities.

7.

Question: What are some of the longer-time effects of Government loans?

Answer: The shift in consumption mentioned above tends to bring about a readjustment in the comparative prices of these growths in line with the differences in their quality or spinning utility. As a result, over a period of time, any price strengthening influence of such a loan is reflected in prices of other growths as well as in prices of American cotton. As the price of cotton in foreign markets is increased by such a program, foreign producers are induced to raise larger quantities of cotton than they otherwise would. Of course, the liquidation of this loan cotton will tend to depress cotton prices, the extent of which will depend upon when and how it is marketed.

8.

Question: What have been the long-time trends of cotton production in the United States and in foreign countries, and how do these compare with recent trends?

Answer: During the 25 years prior to 1933 the annual rate of increase

Cotton

.8.

in the United States was a little less than 150,000 bales compared with a little less than 200,000 bales in foreign countries. For several years prior to 1937 the trend in United States production was downward while production in foreign countries during this period increased at an average rate of nearly 2,000,000 bales per year. However, with the record yields the current United States crop is expected to be the second largest on record and 8,000,000 bales larger than the small crop of 1934.

9.

Question: What was the acreage of American cotton in 1937, and how does this compare with other recent years?

Answer: The estimated United States acreage to be harvested in 1937 is about 33,700,000 acres. This is about 10 to 15 percent larger than the acreage harvested in the 4 preceding years, but about one-sixth less than the average for the 5 years 1928 to 1932.

10.

Question: What is the estimated United States yield per acre for 1937 and how does this compare with other recent years?

Answer: The yield per acre in November was estimated at 258.8 pounds which is the highest on record and 52 percent than the average for the 5 years ended 1932-33.

11.

Question: What was the farm income from the 1936-37 cotton crop including Government payments, and how did this compare with that from other recent crops?

Answer: The total gross income from cotton and cottonseed, including Government payments with respect to cotton, in 1936-37 amounted to nearly \$1,000,000,000. This was the largest for any season since 1929-30, more

Cotton

11.

than twice as large as in 1932-33, and a little larger than the 5-year (1928-32) average.

12.

Question: What is the expected gross income to American producers from their 1937 cotton crop?

Answer: The exact gross income received during the 1937-38 season will depend upon the level of cotton and cottonseed prices, the portion of the crop upon which Government loans are obtained, and the amount of the Government payments. However, in view of the increase of about 47 percent in the 1937 production the gross farm income from the 1937 domestic crop, including the income from Government loans and payments with respect to cotton, is expected to equal or exceed that from the 1936 crop despite the substantially lower prices being received.

TOBACCO

1.

Question: How does the 1937 tobacco crop compare with the 1928-32 average? With the 1932-36 period? With the 1936 crop?

Answer: The 1937 tobacco crop, according to October estimates, is about 3 percent larger than the average 1928-32 production, about 25 percent greater than the 1932-36 production, and nearly 28 percent more than the 1936 production. It is the largest crop produced since 1931.

2.

Question: How does the present total supply compare with the 1928-32 period?

Answer: Total supplies of tobacco for the 1937-38 season are estimated at about 3,500,000,000 lbs. farm weight basis, which is about 7 percent larger than the average supply of about 3,275,000,000 lbs. for the 1928-32 period.

3.

Question: What was the total disappearance of tobacco for 1936-37? What is the 1937-38 disappearance expected to be?

Answer: Total disappearance of tobacco in the 1936-37 season is estimated at about 1,714,000,000 lbs. Disappearance in 1937-38 is expected to be somewhat larger than in 1936-37. Domestic consumption is expected to increase only slightly but prospects favor a moderate increase in exports.

4.

Question: What has been the trend in the domestic consumption of cigarettes since 1932? What for other uses of tobacco?

Answer: The trend of cigarette consumption has been strongly upward since 1932, the total increase through 1937 being estimated at about 58 percent. Cigar consumption during the same period has increased about 25 percent. Smoking, chewing and snuff products have not changed significantly as a group, although moderate changes are noted in connection with individual items.

Tobacco

5.

Question: What were total tobacco exports in 1936-37? Average for the 1932-36 five-year period? The 1928-32 period? What are the prospects for exports during 1937-38?

Answer: Total exports of tobacco including stems, trimming and scrap in the 1936-37 marketing season are estimated at about 415,000,000 pounds which is about the same as the 1932-36 average and compares with the 1928-32 average of 520,000,000 pounds. Exports in 1937-38 are expected to be somewhat larger than in 1936-37. Increased foreign takings appear probable for flue-cured. But exports of dark air-cured, Maryland, and burley are expected to be about the same as in 1936-37. A further decline in exports is expected for the dark fire-cured types.

6.

Question: To maintain average stocks and assuming average yields, what change in acreage is desirable in 1938 for flue-cured tobacco? Burley? Maryland? Fire-cured? Dark air-cured? Cigar types?

Answer: To establish or maintain supplies of tobacco at satisfactory levels relative to prospective disappearance, assuming average yields, the following changes in tobacco acreage in 1938 as compared with 1937 seem desirable: For flue-cured, a reduction of about 10 percent; for burley, an increase of about 15 percent; for Maryland, an increase not to exceed 10 percent; for dark fire-cured types, a moderate decrease in acreage; for dark air-cured, no change in acreage; and for all cigar types an increase of from 10 to 15 percent.

For some cigar types, the increase should be larger than average, while for other cigar types, especially Pennsylvania filler, type 41, no increase seems warranted.

WHEAT

1.

Question: With the largest acreage ever seeded to wheat (81 million acres) in the United States for the 1937 harvest, why were wheat prices relatively high in the fall of 1937?

Answer: (a) The 1937 world wheat crop was small.
(b) The general price level had been rising.
(c) The crop in the United States was reduced because abandonment was higher than usual.

2.

Question: If wheat farmers should again seed 81 million acres to wheat for the 1938 harvest, how large a crop could be expected?

Answer: (a) Assuming a yield per seeded acre of 8.1 bushels - the record low yield of 1933 - a crop sufficient to meet our usual domestic needs would be produced.
(b) Assuming a yield per seeded acre of 15.1 bushels - the yield obtained in 1924 - a crop of about 1,200 million bushels would be obtained.
(c) Assuming average yields per acre a crop of around 950 million bushels would be produced.

3.

Question: How many bushels of wheat does the United States ordinarily use for food, feed, and seed?

Answer: About 660 million bushels.

4.

Question: With average yields per seeded acre, how many acres would need to be seeded to wheat to supply our domestic requirements?

Answer: Only about 56 million acres.

5.

Question: What are the prospects for the wheat growers of the United States in connection with the 1938 crop?

Wheat

5.

Answer: Unless world wheat production in 1938 is again small or world import demand increases beyond present indications, prices of wheat and income to United States wheat growers from the 1938 crop may be expected to be materially lower than during the current marketing season.

6.

Question: During the 1937-38 marketing season how many bushels of wheat will the United States probably export?

Answer: On the basis of estimated deficits in importing countries and present estimates of the crop in Argentina and Australia, which countries harvest in December and January, exports from the United States would be expected to be about 95 million bushels.

7.

Question: Over a period of years what are the prospects of an export market for our wheat?

Answer: Prospects would be expected to be less than in 1937-38, unless prices were greatly reduced. Perhaps exports of 50 million bushels could be made without greatly depressing prices.

8.

Question: What are the chief reasons for these relatively low wheat export possibilities?

Answer: Imports of wheat by European countries have declined in recent years as the result of drastic restrictions on the use of foreign wheat. In 1937 the carry-over and production in other surplus producing countries are much smaller than usual and the United States has an opportunity of exporting a large quantity at relatively high prices.

Wheat

9.

Question: Why have wheat exports from the United States been disappointingly small during the early part of the current marketing season?

Answer: This is the result of a number of factors, one of the most important of which has been the extreme shortage of ocean shipping space, which has resulted in the highest freight rates in recent years. Cheaper offerings from other countries and the uncertainty regarding the quantity of Russian shipments also have been significant factors in reducing the foreign demand for United States wheat.

10.

Question: During the last two years which wheat producing areas of the United States have been increasing their seeded acreage most?

Answer: The two areas which have increased the seedings most are the hard red winter States and the soft red winter States. Seedings of white wheat in the Pacific Northwest has increased but little and the hard red spring and durum acreage in 1937 was about the same as in 1935.

- - -

FEED GRAINS AND BY-PRODUCT FEEDS

1.

Question: How does the total feed grain supply available for 1938 compare with that of 1937 and average supplies?

Answer: The total supply of feed grains during the coming year will be much above 1937, and above any of the past 4 years, but below the 5-year (1928-32) average.

2.

Question: How does the corn supply for 1938 compare with that of 1937 and average supplies?

Answer: It is much above last year and about equals the 5-year average.

3.

Question: Is the geographic distribution of the feed grain supply about normal this year?

Answer: No. It is above normal this year in the Eastern and Central Corn Belt but below normal in the Western Corn Belt.

4.

Question: How does the feed grain supply in relation to the number of grain consuming animals on farms compare with that of 1937 and recent years?

Answer: It is much above 1937 and with the exception of 1932-33 it is the largest in 12 years.

5.

Question: Will the probable feed grain prices and livestock prices make for favorable or unfavorable feeding ratios in 1938?

Answer: The ratios will be quite favorable for feeding.

6.

Question: What are the usual seasonal price trends for corn under corn supply conditions as now prevail?

Answer: Under the conditions as they now prevail, corn prices usually decline from October to December and begin their seasonal advance later than usual.

Feed Grains and By-product Feeds

7.

Question: What will be the probable relation between corn prices and the prices of other feed grains prior to the 1938 harvest?

Answer: Corn prices will probably be low in relation to the prices for other feed grains.

8.

Question: Will there be an adequate supply of by-product feeds such as cottonseed-meal, linseed-meal, wheat feeds, etc?

Answer: Yes, the supply will be unusually large.

9.

Question: How will the prices of such by-product feeds probably compare with the prices of feed grains?

Answer: Although a higher price ton for ton will prevail the by-product feeds will actually be lower in comparison with feed grains.

10.

Question: How will the demand for feed grains for commercial uses in 1938 compare with previous years?

Answer: The consumption will be larger but total cost less.

11.

Question: Is it expected that we shall import some feed grains during 1938, and why?

Answer: We shall import little if any, but may export substantial quantities.

HOGS

1.

Question: Will the supply of hog products for the marketing year 1937-1938 (October 1937 to September 1938) be larger or smaller than the supply for 1936-37 and previous years?

Answer: The number of hogs slaughtered in the 1937-38 marketing year is expected to be somewhat smaller than in 1936-37, somewhat larger than in 1934-35 and 1935-36, but much below the 10-year 1924-33 average. Average weights of hogs slaughtered will be considerably heavier in 1937-38 than in 1936-37, and this increase in weights will about offset the reduction in numbers slaughtered. The total supply of hog products in 1937-38 probably will not be greatly different from that of 1936-37.

2.

Question: Will the geographic distribution of the hog supply for 1937-38 in the commercial producing areas be about normal?

Answer: The slaughter supply of hogs in 1937-38 will be mostly pigs raised in 1937. The 1937 pig crop is estimated to be about 4 million head smaller than that of 1936. Nearly all of the decrease will be in the Corn Belt and States adjacent to the Corn Belt. Most of the reduction in the Corn Belt will be in the areas west of the Mississippi River.

3.

Question: How does the current pork and lard storage situation compare with last year and the usual storage situation at this time of year?

Answer: In the early spring of this year storage holdings of pork and lard were much above average, but the cut-of-storage movement during the summer and early fall was unusually large. On October 1 stocks of pork were the second smallest for that date on record. Stocks of lard on October 1 were about 30 percent smaller than average. In the late fall and early winter of 1936-37 the storage demand for hog products was very strong and a larger than

Hogs

3.

usual proportion of the fall and winter hog supplies were placed in storage. The storage demand for hog products in the 1937-38 winter season probably will not be so strong as in the corresponding period of 1936-37. Total storage accumulations for the entire winter season are expected to be relatively small.

4.

Question: Will the domestic demand for hog products be as great in 1938 as in 1937?

Answer: With prospects for some decline in industrial activity and the national income in late 1937 and first half of 1938, it is expected that the domestic demand for hog products will be somewhat less favorable in the 1937-38 marketing year than in 1936-37. With total supplies of hog products expected to be about the same, the weaker demand probably will cause hog prices of 1937-38 to average lower or at least no higher than in 1936-37.

5.

Question: Is it expected that the seasonal trend in hog marketings in 1937-38 will differ materially from the trend of marketings in 1936-37 and the usual seasonal trend?

Answer: The seasonal changes in hog marketings for 1937-38 will be much different from those of 1936-37, and fairly similar to those of other years when feed supplies have been large relative to hog supplies. The number of hogs marketed in the three months, October through December 1937, will be much smaller than a year earlier and will represent a relatively small proportion of the total for the marketing year. Slaughter from January through March is expected to exceed materially that of the October to December period, whereas in most years it is about the same. Marketings from May through July 1938 will be considerably larger than a year earlier.

Hogs

6.

Question: How will the seasonal price trends for hogs in 1937-38 probably compare with the seasonal trends in 1936-37 and the usual seasonal trends?

Answer: Some seasonal decline in hog prices from the September level is probable during the fall and early winter of this year. Last year the decline in prices during this period was relatively small, largely because of the strong storage demand. But this year storage demand is not expected to provide much support for hog prices in the fall and winter. With prospects for considerably larger marketings of hogs next summer than a year earlier, hog prices probably will average lower than the relatively high level of prices last summer.

7.

Question: Is it expected that the hog-corn price ratio will be favorable for hog feeding in 1938?

7.(a) What are the prospects for the pig crop of 1938?

Answer: With feed supplies much larger than last year and about equal to average and the number of livestock on farms considerably below average, it is expected that the hog-corn price ratio will be above average in most of the 1937-38 marketing year. This ratio will encourage the feeding of hogs to heavier weights.

7.(a) The relatively large feed supplies and the high hog-corn price ratio also will encourage a considerable increase in the number of pigs raised in 1938. A material increase in the 1938 spring pig crop now appears probable.

8.

Question: How long will be required for hog production in this country to recover to the level prevailing before the 1934 drought?

Answer: If feed grain production in 1938 and 1939 should be about average, a further increase in the number of pigs produced will occur. But it is expected that even with favorable crop years the number of pigs raised will not

Hogs

8.

reach the 1929-33 average before 1940. Slaughter supplies of hogs under such conditions will not reach average before 1941.

9.

Question: If and when hog production reaches average levels can we expect hog prices to be forced to as low a level as they reached in 1932 and 1933?

Answer: The return of hog supplies to a normal level by about 1941 probably would result in hog prices being lower than in the present year, if it is assumed that domestic consumer demand in 1941 should be equal to that of 1937.

10.

Question: Can we expect any increase in the export volume of hog products in 1938 and the years immediately following?

Answer: Despite the decrease in European hog production in prospect it is expected that exports of pork and lard to the United States during the present marketing year will continue small. In the next few years if hog production in this country increases it is probable that exports of pork and lard also will increase.

11.

Question: Are the prospects for the exportation of pork as favorable as for the exportation of lard?

Answer: European countries provide the principal export outlet for United States hog products. Europe as a rule generally produces a smaller quantity of hog products than is needed for European consumption. The increase in hog production in Europe during the last decade has reduced materially the need of European countries for imported pork. On the other hand, fat production in Europe is still considerably short of the European needs for fat. It is expected, therefore, that the recovery of part of our farm volume of lard exports will be less difficult than the recovery of a portion of our farm pork exports.

BEEF CATTLE

1.

Question: How will total slaughter of cattle^{and}/calves during 1938 differ from that of 1937?

Answer: Total slaughter of cattle and calves in 1938 is expected to be smaller than in 1937. Most of the decrease probably will occur in the first half of the year. Slaughter of steers probably will not be greatly different from a year earlier and may be slightly larger but slaughter of other cattle and of calves will be smaller.

2.

Question: How will the weights and finish of slaughter cattle in 1938 compare with a year earlier?

Answer: Average weights of cattle slaughtered in 1938 will be considerably heavier than in 1937 when they were much lighter than usual. The increase in weights will offset in part the decrease in numbers slaughtered. Cattle slaughter next year will include a much larger proportion of well-finished animals than it did this year when there was a marked scarcity of such cattle.

3.

Question: In what way will fed cattle prices differ during the marketing year in 1937-38 from the prices obtained during 1936-37?

Answer: Prices of the better grades of cattle in 1938 are expected to average lower than in 1937. Such prices are expected to decline more than seasonally during the first half of the year. The seasonal price advance in the second half of 1938 is expected to be much less than that in the corresponding period a year earlier and probably will be less than average for the period.

4.

Question: In what months during the coming year will marketings of fed cattle show the greatest increase over 1937?

Beef Cattle

4.

Answer: They are expected to show the greatest increase over 1937 during the period from May to October. The market supply during this period in 1937 was unusually small.

5.

Question: How will the prices of the lower grade of cattle in 1938 compare with 1937?

Answer: Prices of the lower grades of cattle in 1938 probably will average higher than in 1937 because of the smaller number of such cattle that will come to market.

6.

Question: Is it expected that the wide spread in prices between choice and common cattle will continue in 1938?

Answer: The increase in the supply of the better grades and the probable decrease in marketings of the lower grades will cause the cattle price spread in 1938 to be much narrower than the unusually wide spread that prevailed in the latter half of 1937.

7.

Question: Will total cattle numbers in the United States continue to decline in 1938, and when will the low point in numbers likely be reached?

Answer: Unless there is a recurrence of drought which would necessitate further liquidation of cattle it is expected that cattlemen will begin to expand cattle numbers in 1938 by holding back breeding stock. In this event the beginning of 1938 will be the low point of the downward trend in cattle numbers which has been in progress since the high point reached four years earlier.

8.

Question: In what areas will there be the greatest tendency to increase cattle numbers?

Beef Cattle

8.

Answer: Cattle numbers are likely to be increased most during the next few years in those areas which were most adversely affected by the droughts of 1934 and 1936. These include mostly the territory extending from Canada to Texas and from the Missouri River to the Rocky Mountains.

9.

Question: What will probably be the effect on the cattle industry of diverting more land to grass and hay production?

Answer: Increasing hay and forage production and expanding pastures will probably result in a greater increase in cattle numbers than might otherwise occur if this were not done.

10.

Question: How did imports of cattle and beef into this country during the past year compare with those of 1936, and what are the prospects for importations during the next two or three years?

Answer: Cattle imports were larger in 1937 than in 1936. Such imports will continue large as long as cattle prices in the United States are relatively high as compared with those in Canada and Mexico.

Imports of canned beef into this country in 1937 were smaller than in 1936. Future imports of canned beef will depend to some extent on whether European markets will take increasing supplies of South American chilled beef, thereby providing a better outlet for the exportable surplus produced in South American countries.

SHEEP, LAMBS AND WOOL

Sheep and Lambs

1.

Question: What changes in sheep numbers are to be expected for the Western and native sheep States during the next few years?

Answer: It is probable that the downward trend in sheep numbers that has gotten under way in the Western range sheep States since 1931 will continue for a few more years and that there will be a continued slight increase in sheep production in the native sheep producing States. The severe droughts of 1934 and 1936 in some of the principal sheep producing areas of the range States seriously depleted the carrying capacity of the ranges in those areas and this fact together with restrictions in the number of livestock permitted to graze on the Public Domain and on the Forest Reserves may bring about some reduction in sheep numbers in the Western States. Prospects for some shift in the acreage of cash crops to hay and pasture in the Corn Belt may result in a slight increase in sheep production in that area.

2.

Question: Will there be a net increase or decrease in sheep numbers for the country as a whole during the next two or three years?

Answer: It does not appear probable that sheep numbers will change much in the next few years, although a decrease is more likely than an increase. It is probable that increases in the native sheep States will just about balance decreases in the western sheep States.

3.

Question: In what sections of the country will lamb feeding operations during 1937-38 differ from the situation in 1936-37?

Answer: Because of increased feed supplies in the middle western feeding areas compared with last year it is probable that there will be a substantial increase in the number of lambs fed in the Corn Belt as compared with 1936.

Sheep and Lambs

3.

This increase will, however, be offset at least in part by a decrease in feeding operations in the lamb feeding area west of the Continental Divide.

4.

Question: Will total lamb feeding operations during the coming year exceed or be less than those of 1936-37?

Answer: It is probable that the total number of lambs fed this fall and winter will be somewhat in excess of a year ago.

5.

Question: How will the total slaughter supplies of sheep and lambs in the 1937-38 fed-lamb season compare with a year earlier?

Answer: It is probable that slaughter supplies of sheep and lambs in the 1937-38 fed-lamb season will be about the same as during the previous season.

6.

Question: In what months will the marketings of fed lambs probably be greater during the coming marketing season than a year ago?

Answer: It is anticipated that marketings during the early months of the 1937-38 season will be somewhat in excess of a year ago and those marketed in the late months somewhat smaller.

7.

Question: Will the prices of fed lambs in 1937-38 average higher or lower than in 1936-37?

Answer: It now seems probable that the price of fed lambs marketed during the 1937-38 marketing season will average slightly lower than in the 1936-37 marketing season. This is based on the assumption that the demand for meat and wool, particularly wool, will probably be somewhat less favorable than last year and the supply of lambs about the same.

Wool

1.

Question: Will world wool supplies in 1937-38 be greater or smaller than those of a year earlier?

Answer: Preliminary reports of wool conditions in 15 countries that produce about 75 percent of the world's wool supply, exclusive of Russia and China, indicate that production in those countries in 1937 will be about 3 percent larger than in 1936.

2.

Question: How does domestic production of wool in 1937 compare to previous years?

Answer: Domestic production of wool in 1937 will not be greatly different from that of 1936 and the smaller mill consumption in late 1937 and early 1938 in comparison with a year ago is expected to be accompanied by smaller imports; consequently, total supplies of wool in this country on April 1, 1938 will probably be below average, although somewhat larger than on either April 1, 1936 or 1937.

3.

Question: Are present available supplies of domestic wools greater or smaller than a year ago?

Answer: Available supplies of apparel-class wool in the United States September 1, including the unshorn portion of the 1937 clip, were about 15 percent larger than a year earlier when supplies were unusually small, but were probably smaller than supplies on September 1 in most other recent years.

4.

Question: How do wool stocks in most importing countries compare to those of recent years?

Answer: Such information as is available concerning the supplies of wool in foreign countries indicate that stocks were smaller in all countries except Japan at the beginning of the 1937-38 Southern Hemisphere selling season

Wool

5.

Question: Has wool consumption in the United States been greater or smaller in 1937 compared to 1936?

Answer: Mill consumption of apparel wool on a scoured basis in the United States in the first 8 months of 1937 was 8 percent larger than in the corresponding months of 1936 and with the exception of 1935 was the largest for the 8-months period since 1923. Since March, however, consumption has declined more than usual and the rate of consumption in July and August was lower than a year earlier.

6.

Question: Are wool prices expected to be higher or lower during the coming marketing year compared to a year earlier?

Answer: It is probable that wool prices will average somewhat lower during the coming marketing season than a year earlier. Uncertainties in the world economic situation make an appraisal of the trend of prices very difficult.

DAIRY

1.

Question: As a dairymen I am naturally quite interested in prices and price trends. What are the prospects regarding prices of dairy products this winter and next spring?

Answer: Prospects are that prices of dairy products will average somewhat higher during the coming winter than in the winter of 1936-37, in which case they will be the highest since the winter of 1929-30.

2.

Question: What is the feed situation, and how is this likely to affect my feeding costs during the current feeding season?

Answer: The 1937 production of feed grains was 62 percent greater than in 1936, and hay production per animal unit was above the average of recent years. Feed supplies are large in relation to numbers of animals to be fed. Feed prices have already declined and thus the relationship between feed prices and prices of dairy products will be much more favorable this winter than they were a year ago. As a result, feeding will probably be fairly liberal during the current feeding season. Total milk production from now until next pasture season will probably average 3 to 5 percent higher than a year earlier.

3.

Question: With the production of dairy products likely to increase, will changes in consumption absorb such an increase?

Answer: Dairy production should always be thought of in terms of its relation to changes in population. In general, production is about average in proportion to population. Increases in the consumption of fluid milk and cream in cities are expected to occur, and this demand will absorb part of any increase in production which occurs, and will also tend to offset in part the effect of increased milk production on the production of manufactured dairy products.

Dairy

4.

Question: I understand that milk cow numbers are now less than they were four years ago. Is this true, and what accounts for such a situation?

Answer: Milk cows are less in number than the peak of four years ago by about 6 percent. The principal reason for the reduced numbers is the droughts of recent years, which resulted in high feed costs, and an unusual amount of culling. Disease control programs also caused some reduction in cow numbers. Both the Federal and State Governments have been more active recently in efforts to control bovine tuberculosis and Bang's disease.

5.

Question: Are prices of meat animals such that they can be expected to offer more of an incentive to expand beef and hog production than dairy production during the next few years?

Answer: Prices of meat animals are now unusually high in comparison with prices of other farm products, and in most general farming areas the tendency will be to increase the production of hogs, beef cattle and veal, rather than milk, so long as this situation continues. Cattle prices, have in the past, moved in cycles, with the peaks about 15 years apart, and prices of milk cows have tended to follow these changes. Under ordinary conditions, the next peak of cattle prices might be expected about 1945, but it now seems probable that this peak will be reached earlier. With respect to prices of milk cows, the peak is expected in 1938 or 1939. Prevailing high prices of cattle may result in a more than usual increase in beef production during the next year or so.

6.

Question: Since milk cow numbers are down, is this a good time for me to plan on raising more dairy heifers, for replacement, and for sale?

Answer: Prices of cows are expected to improve in 1938 and possibly 1939 so that dairymen who wish to cull during the next two years should be able

Dairy

6.

to replace these cows advantageously in 1940 with heifers they have raised. The situation does not appear as favorable for those raising heifers for sale, for while milk cow prices may still be fairly high by the time calves saved now reach a salable age as milk cows, they will probably have passed the peak and milk cows are likely to be sold at declining prices.

7.

Question: What are the probable effects of the agricultural conservation program on dairy production?

Answer: It is difficult to say just what the effect of the agricultural conservation program will have on dairy production. In general, the long-time effect of this program seems likely to encourage some shift from the production of feed grains to hay, pasture and soil improving crops, and of course, this will cause some shifts in the kinds of livestock kept. On the other hand, increased production of roughage will tend to offset the reduced quantities of grains. Thus, there are some conditions which point to increased dairy production, and others which may lead to decreases.

8.

Question: How does the world dairy situation affect domestic producers, and what may we expect in the way of imports of dairy products the coming winter and spring?

Answer: The world dairy situation does affect domestic producers, because butter, cheese and concentrated milks are products which because of their nature and existing shipping facilities enter readily into international trade. Indications are that there may be imports during 1937-38 about as large as in 1936-37. However, domestic demand in 1936 and in 1937 increased sufficiently to absorb increases in both domestic production and imports at prices higher than those prevailing before 1936, and a similar situation might be expected this year.

Dairy

9.

Question: What are the principal regional trends in dairy production which may be expected in the next few years?

Answer: In most States along the northern border from New England through Minnesota, the tendency seems to be toward increased dairy production, but in numerous other areas, except those producing milk for city use, dairying will be held somewhat in check for the next two or three years, because of the relatively high prices of beef cattle and hogs.

(This answer should be expanded for the particular region where radio broadcast is made.)

10.

Question: Is there likelihood of milk control programs being continued or expanded?

Answer: Most of the State milk control laws are of a permanent nature. As for Federal milk control, price fixing features will depend largely upon Court decisions. But in either case, it appears probable that such phases of control as provision for more adequate market information, regulation of market and trade practices, and protection of producers in the matter of payments for milk, are likely to continue.

11.

Question: Could you please summarize the outlook for dairy farmers, in a few words.

Answer: As already mentioned, the outlook appears favorable for the coming winter. Present indications are that feed prices will be lower than a year earlier, and that prices of dairy products will be not only higher than a year earlier, but probably the highest since the winter of 1929-30.

From a longer time standpoint the outlook for dairying is also favorable, although not so much so as the immediate future. Reasons for

Dairy

11.

this conclusion are: (1) The number of milk cows is below average in relation to population; (2) Numbers of heifers and heifer calves being raised are only slightly above average in relation to numbers of milk cows; (3) Prices of milk cows are rising, and will likely continue to rise during the next year or so; (4) Meat animal prices are such as to offer more of an incentive to expand beef and hog production during the next year or so, than dairy production; (5) Feed costs in relation to dairy products prices are likely to be favorable for several years, particularly the next two years; (6) Consumption of dairy products is expected to increase.

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POULTRY AND EGGS

1.

Question: How does the relationship between feed grain prices and egg prices affect the price of poultry?

Answer: The effect is through the medium of supplies. When egg prices are high compared with grain prices, producers seek to increase their poultry flocks. At first less layers are sold but more chicks are hatched, and the larger hatch makes more young chickens available for marketing. The supply of poultry at the market has an important effect on the price, large supplies causing lower prices. When feed prices are high relative to egg prices, the hatch is smaller, the supply of poultry smaller, and poultry prices higher.

2.

Question: How does the relationship between feed grain prices and egg prices affect the price of eggs?

Answer: When egg prices are high compared with feed grain prices, fewer hens are sold and more chicks are hatched. As a result, laying flocks are increased. The increase in size of flock may not be very important until the pullets have reached laying age. With larger laying flocks, egg production is increased and, other things equal, prices decline. When feed prices are high relative to egg prices, the procedure is reversed, laying flocks become smaller, less eggs are produced, and prices rise.

3.

Question: How will the poultry storage situation in the early part of 1938 compare with the poultry storage situation in the early part of 1937.

Answer: Poultry storage stocks, first half of 1938 are expected to be above average because of the heavy summer carry-over in 1937 but much below 1937 because of the lower marketings. The increase in stocks from September 1

Poultry and Eggs

3.

to February 1, is not likely to be so great as average because of reduced receipts during this period. On the other hand, September 1 stocks are 20 million pounds above average because of a heavy carry-over from the 1936-37 storage season.

4.

Question: Can the same be said respecting the egg storage situation for the latter part of 1938?

Answer: The mid-summer peak in cold storage stocks of shell and frozen eggs in 1937 was about 25 percent above that of 1936 and has only been exceeded in 1930. Production probably will be lower than in 1937 and the storage incentive is likely to be weakened by a less profitable storage season than 1935-36. Hence, storage stocks in 1938 are expected to be much less than in 1937.

5.

Question: Has any significant change taken place in the size of the laying flocks since January 1, 1937?

Answer: The number of hens and pullets of laying age per farm flock ordinarily decreases by about 25 percent from January 1 to September 1. In 1937 this decline was 29 percent, bringing laying flock size down to the level of 1936, while in January it had been 4 percent greater.

6.

Question: Is 1938 likely to be a good year to increase the poultry flocks?

Answer: Egg prices during 1938 are likely to be high and to cause considerable increase in size of poultry flocks. This will be especially true with feed prices low. Remember that any increase in laying flocks through the medium of hatchings will not yield more eggs until the fall of 1938. A general increase is expected. Such increase as can be made immediately is

Poultry and Eggs

6.

recommended. All pullets as well as old hens, that are likely to be reasonably productive, should be retained for next year's laying flocks.

If increasing the poultry flock requires investment in buildings and equipment a conservative policy is recommended. In the North Central States there has been considerable reduction in flock size because of low egg prices and high feed costs. Idle equipment in this area can, and probably will, be returned to use when more normal price relationships are again established. Until the competitive effect of such changes can be appraised, a cautious policy with respect to additional investment for increasing poultry flocks seems advisable.

7.

Question: With only a small flock now but with plentiful feed, should I buy pullets?

Answer: Yes, provided the price is not unreasonably high. While a pullet bought now is likely to be worth less when sold a year from now this loss is expected to be more than offset by the value of the eggs it will produce in the period.

8.

Question: With respect to egg production, why was it that in spite of the unfavorable feed-egg price ratio that egg production per hen was greater than usual during the first 8 or 9 months of 1937?

Answer: Favorable weather in most of the season of heavy production, more rigid culling than usual, and a laying flock with a high proportion of pullets resulted in an exceptionally large number of eggs laid per hen in the period January 1-September 1, 1937. In 1938, with culling probably less rigid and with a smaller proportion of pullets than in 1937 the rate of production is likely to be lower than in 1937.

Poultry and Eggs

9.

Question: Should a producer invest now in equipment for raising winter broilers?

Answer: The winter broiler industry is a highly specialized one in which experience in feeding and in controlling death loss is very important. The producer who cannot do this will find his costs very high and in years when there is not a wide margin his losses are likely to be severe. In the winter of 1937-38, with feed costs low and poultry prices high, the margin will be favorable and considerable increase in broiler production is expected. There is no assurance that this margin will continue, and with a larger hatch in 1938, it is likely to be less. Producers are cautioned against large investment now in winter broiler production unless they have considerable experience in production and considerable experience in marketing.

10.

Question: Is the cutting up of carcasses and marketing poultry parts likely to aid in increasing consumption?

Answer: The marketing of full-drawn poultry is increasing and with it the cutting up of carcasses and the marketing of poultry parts. This innovation has been advocated as a service to consumers, full-drawn poultry possibly being more palatable, and poultry parts more suited to consumers who do not require a whole chicken. Breaking up the retail package into smaller parts may make the average consumer's purchase smaller but in the long run it is probable that this consumer service will increase demand by reaching more consumers, both in the small-family and lower-income groups.

Poultry and Eggs

11.

Question: What effect, if any, would you say the disturbance in China was likely to have on egg and poultry prices in this country?

Answer: The disturbed situation in China will doubtless reduce egg exports from that country both to the United States and to Europe. Hence an increase in domestic egg-breaking and egg-drying is probable. This increase, however, is not expected to be great enough to affect materially the farm price of eggs.

12.

Question: With turkey prices this fall considerably above those for 1936, I suppose I should plan on hatching a greater number in 1938 than in 1937. Isn't that right?

Answer: Higher turkey prices this fall together with lower feed costs in prospect are expected to cause producers to increase turkey hatchings next spring and result in lower prices next fall. The advisability of increasing the production of turkeys in 1938 depends on later developments. If the price of feed grains remains low a small increase might be advisable but with more chickens and more hogs also in prospect for next year, increases in turkey production should be conservative.

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FRUITS

Apples

1.

Question: What percentage of the apple crop is normally consumed in the United States? How much does this amount to when expressed in bushels?

Answer: Foreign countries take in the form of fresh, dried, and canned apples from 10 to 15 percent of the total crop. This leaves for use in this country 85 to 90 percent of the crop, or on the average about 130 to 140 millions of bushels. Obviously, actual consumption is somewhat less as some waste occurs in handling the crop.

2.

Question: What shifts have occurred in consumer preference for apples as to variety, season, or uses?

Answer: Consumers generally are demanding varieties of better quality than formerly. Varieties that are desirable both for eating out of hand and for cooking are generally preferred over those which are adaptable for cooking purposes only. With the modern cold storage facilities, it is possible to keep apples in good condition for a much longer time than formerly.

3.

Question: Why has per-capita consumption of apples decreased, with trends in diets toward the use of more fruits and vegetables of high vitamin, non-fattening content?

Answer: The question may be at least partially answered by using figures on production. Fruit supplies in the United States are abundant, and, generally speaking, reasonable in price. Therefore, within certain limits, the American people may use a variety of fruit the year around. The proportion of each kind that is consumed is dictated by numerous things, including available supplies, taste, price, etc. About 34 percent of our fruit production is apples, 29 percent is citrus, and 37 percent is made up of peaches, grapes, and pears. The combined production of these fruits is

Apples

3.

about 6 pounds more per person in the United States than it was 10 or 12 years ago.

4.

Question: Why is it that apple producers have not established a rigid system of grading and regulation of marketing similar to that practiced in the citrus industry?

Answer: As contrasted to the relatively high degree of concentration in the citrus industry, the apple industry is scattered over a wide territory. This lack of concentration, together with the large number of varieties grown in both commercial and farm orchards, has made it much more difficult for apple producers as a whole to regulate the sale of fruit, and to enforce the use of uniform grades as effectively as has the citrus producer. This, of course, makes it more difficult, particularly in years of large production, to enforce measures which would tend to support prices.

5.

Question: What is the long-time outlook for export of apples?

Answer: Although foreign countries are improving quality and increasing production of apples, considerable potential demand for American apples in foreign countries is likely to continue but the yearly average probably will be somewhat below the average of 16,000,000 bushels which prevailed in the five-year period 1926-27 to 1930-31.

6.

Question: What trends in production are in prospect as to variety and season, such as early, intermediate, and late varieties?

Answer: Recent information as to future production trends for various varieties is rather meager. However, some general observations may be made. Large plantings several years ago of some of the early varieties have resulted in heavy supplies of early apples in recent years. As a group, supplies of

Apples

6.

early apples are expected to be plentiful for several years, barring unusual weather conditions and orchard neglect.

Relatively large numbers of the trees of some of the important intermediate varieties are young, and production of the intermediate group is expected to continue at a fairly high level for several years.

The trend in production of Delicious and McIntosh apples is upward. Severe winter killing a few years ago of Baldwin trees has reduced greatly the production of that variety. Production of some of the other important varieties as a group, such as Stayman Winesap, Rome Beauty, Winesap, and the York Imperial probably will not decline materially for several years. Production of Ben Davis and of many of the other less popular varieties as a group is expected to decrease during the next 10 years.

7.

Question: Does the downward trend in production justify any encouragement for new plantings?

Answer: For many years the apple industry has been going through a period of adjustment as a result of excessive plantings. This scaling down process has eliminated many non-profitable orchards, and has gone a long way toward placing this industry on a more favorable basis. Further improvement in consumer buying power will strengthen materially the economic position of the industry.

Looking ahead 15 to 30 years, the experienced commercial producer, with a good orchard site, good, well drained orchard land, readily accessible markets, and with sufficient capital to properly develop the orchard, may look upon the planting of an orchard as a favorable venture.

Citrus

1.

Question: What percentage of the total orange and grapefruit trees in the United States have been planted since 1930?

Answer: According to the United States Census enumerations of 1930 and 1935, approximately one-fifth of the orange trees and two-fifths of the grapefruit trees in the United States have been planted since 1930.

2.

Question: Has the extent of the tree damage resulting from the 1937 freeze in California been fully determined? What will be the probable effects of this freeze upon the condition of the several kinds of citrus of the 1937-38 crop?

Answer: The extent of the tree damage resulting from this freeze has not been fully determined but considering the State as a whole, the damage to bearing trees apparently was not serious. The reported condition of California citrus on October 1, 1937, indicates that the 1937-38 lemon crop was reduced to a considerable extent; grapefruit prospects also were lowered to some degree; but the orange crop was not greatly affected.

3.

Question: What has been the trend in production for the more important kinds of citrus fruit during the past 10 years?

Answer: The production of grapefruit has increased more rapidly than any other citrus fruit. Grapefruit production increased three-fold during the past 10 years, reaching a record of more than 30 million boxes in 1936-37. Production of oranges has increased more than a third and lemons about a fourth during the last 10 years.

4.

Question: What percent of the United States grapefruit crop was diverted from the regular channels of trade by Government purchases during the 1936-37 season?

Answer: Government purchases of grapefruit for diversion from the normal channels of trade amounted to approximately 3,000,000 boxes or 10 percent of

Citrus

4.

the total crop during the 1936-37 season. Of this quantity approximately 2,000,000 boxes were shipped for relief distribution in the fresh form, and 1,000,000 boxes were canned. It must be borne in mind that large quantities of grapefruit were harvested as a result of the Government purchase program which would not have been harvested in the absence of one. The removal of this quantity of grapefruit in the normal channels of trade played an important role in increasing prices and returns to growers.

5.

Question: Has canning of grapefruit juice and hearts been beneficial to the producer?

Answer: Apparently the prices received by farmers for grapefruit is determined mostly by total production and the income of consumers. We have not been able to determine definitely the effect of the canning of grapefruit upon the price received for the fresh fruit. In general, the benefits of the canning of grapefruit have come about principally by lengthening the period of marketing and expanding consumption.

6.

Question: What percent of the orange crop has moved into by-product channels during the past 10 years?

Answer: The use of the orange in by-products has not amounted to a very important proportion of the total production. Orange juice has been most successfully used in blend with other citrus juices. Some parts of the crop have been used in the manufacture of wines. The outlook for this industry will be governed very largely by the results of experimental work now being conducted in the canning of orange juice.

GRASS SEEDS

1.

Question: How does the supply of clover and alfalfa seeds compare with the supply last year and in previous years?

Answer: Supplies of red-clover and alfalfa seed are smaller than those of last year and much smaller than the average. Supply of alsike clover is much smaller than that of last year, but the supply of sweetclover is larger than that of last year.

2.

Question: Will it be necessary to import a greater than average amount of clover or alfalfa seed to meet this year's seeding requirements?

Answer: Shortage of domestic red clover and of northern and central origins of alfalfa seed cannot be made up by importing these seeds from other countries. Imported red-clover and alfalfa seed, except from Canada, is not generally adapted for sowing in the United States. Present supply of red-clover seed in Canada is much below that country's requirements. Canada, however, has a small surplus of alfalfa seed for export to the United States.

3.

Question: How will clover and alfalfa seed prices probably compare with prices for these seeds last year?

Answer: Alfalfa and red-clover seed prices next spring will be higher than the near-record prices in the spring of 1936. Alsike-clover seed prices will be much higher than last year.

4.

Question: Which of these legume seeds probably will be relatively cheapest this year?

Answer: Of the legume seeds lespedeza will be the cheapest.

5.

Question: Will there be an adequate supply of timothy seed available?

Grass Seeds

5.

Answer: Supply of timothy seed is much more than adequate. The 1937 production is above average and the carry-over is much larger than usual because of the record crop in 1935.

6.

Question: How will timothy seed prices probably compare with last year's prices for this seed?

Answer: Timothy seed prices will be much lower than last year. At present, these prices are less than half those of last year at a corresponding time.

- - -

POTATOES

1.

Question: Has the soil conservation program to date affected the acreage or yield of potatoes in any important States? Is it expected that such modifications will take place in the future?

Answer: Although no definite information is available, relative to the effect that the soil conservation program has had on the acreage or yield of potatoes in the more important States, it is generally considered that, because of the low rates paid for the diversion of potato acreage, the program has had little or no effect. Unless the rates of payment are increased substantially, it is not likely that the program will have any appreciable effect in the future.

2.

Question: Has increased purchasing power been reflected in larger incomes to potato producers the past three years, size of crop considered? To what extent is the potato crop income affected by changes in consumer incomes?

Answer: The income of potato producers has risen about the same extent as consumer purchasing power, the size of the potato crop considered. Given a stable potato production, producers could expect their annual income from potatoes to fluctuate directly with consumer purchasing power.

3.

Question: What factors determine potato prices?

Answer: Numerous factors affect potato prices. Some of the more important are the size of the crop, consumer purchasing power, variety, grade, size and quality of potatoes, and the distribution of the crop. There are two factors - size of the crop and consumer purchasing power - that determine to a large extent the average price received by growers in the country as a whole.

4.

Question: To what extent does price for one year's crop determine acreage to be planted during the next season?

Potatoes

4.

Answer: Usually the acreage to be planted to potatoes in a given year is influenced largely by the price received by growers the previous season and the second year preceding.

5.

Question: What are the most significant features of the proposed new adjustment program? What adjustment from average acreage will be the effect? Can allowance be made for increased yields or changes in consumer income over a period of time? What will be the probable effect on price and total average income?

Answer: The proposed new potato acreage adjustment program is designed to stabilize the acreage planted annually to potatoes. Acreage goals are to be established in commercial areas for farms growing 3 or more acres of potatoes. Payments per acre are to be made to growers who stay within the limit of their goals on the basis of normal yields for their farms and at the rate of 6 cents per bushel for early potatoes and 4 cents per bushel for late potatoes. Deductions for exceeding the goal will be made at a considerably higher rate per acre.

Although the national goal has not been set, it probably will be between 3,100,000 and 3,300,000 acres, or slightly less than the average for 1928-32 of 3,346,000 acres. Allowances probably will be made for changes in yields and in consumer buying power.

If the established goals are somewhat below the average acreage of recent years and total production is thereby decreased, it is probable that prices and incomes to potato producers will be increased.

6.

Question: To what extent is outlook information definitely a factor in adjustments of plantings and time of marketing?

Potatoes

6.

Answer: Although it is impossible to measure the influence that outlook information has had on the adjustments of potato plantings and time of marketing, potato producers have indicated considerable interest in the outlook reports and have requested that the dissemination of such information be continued and be broadened in scope.

7.

Question: Are there any marked tendencies toward shifts in areas of production? In improved practices, seed, and yields? In time of marketing, particularly of late stored potatoes?

Answer: In recent years potato production in the early States has tended to increase, while that in the intermediate States decreased. Production near market centers also tended to increase during the depression period, while in the more-distant areas it tended to decrease. Because of the development of new varieties and increased yields per acre, the early crop in California has increased sharply in the last 3 or 4 years.

8.

Question: What is the outlook for early, intermediate, and late potatoes?

Answer: It is probable that the acreage planted to potatoes in the early and intermediate States in 1938 will be decreased from that planted in 1937. In the late States, it is probable that 1938 plantings will be increased slightly or sufficiently to about offset the decreases in the other 2 groups of States.

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I. Money expense for family living, and change in net worth; farm families in four regions, classified by income and family type, 1935-36

Income class	Families with husband and wife only		Families with one or two children under 16		Families with children over and under 16	
	Money expense for family living	Change in net worth <u>1/</u>	Money expense for family living	Change in net worth <u>1/</u>	Money expense for family living	Change in net worth <u>1/</u>
North Carolina, White Operators						
\$750 - \$999	\$400	\$60	\$451	\$21	\$425	-13
1500 - 1749	690	343	823	120	798	137
2000 - 2499	956	583	1286	192	1101	304
3000 - 3999	1479	1107	1385	1247	1557	894
Michigan and Wisconsin, White Operators						
\$750 - \$999	\$526	\$-39	\$577	\$-62	\$617	\$-92
1500 - 1749	767	416	772	325	1025	64
2000 - 2499	1065	674	1004	737	1095	541
3000 - 3999	1131	1918	1363	1261	1718	1060
Iowa and Illinois, White Operators						
\$750 - \$999	\$462	\$ 9	\$573	\$-166	\$627	\$-172
1500 - 1749	696	424	793	315	924	92
2000 - 2499	779	991	946	759	1046	552
3000 - 3999	939	1675	1154	1719	1368	1445
Washington and Oregon, White Operators						
\$750 - \$999	\$505	\$20	\$566	\$-63	\$577	\$-81
1500 - 1749	904	282	847	288	970	124
2000 - 2499	868	966	1094	526	1124	520
3000 - 3999	818	2015	1005	1835	1416	1380

1/ Entries in this column may be either positive or negative. A negative entry (decrease in net worth) is indicated by a minus sign.

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II. Distribution of farm family income: Average family income, distribution of income among money expenditures, change in net worth, and value of farm-furnished goods used for family living, and distribution of money expenditures by specified groups, 1935-36

Pennsylvania and Ohio farm families with incomes between \$750 and \$1000

Item of income or expense	Families with husband and wife only		Families with two children under 16		Families with five or six children	
	Amount \$375	Percent 100	Amount \$396	Percent 100	Amount \$391	Percent 100
Average family income						
Value of farm-furnished goods used for family living	419	48	459	51	486	55
Money expenditures	412	47	537	60	618	69
Change in net worth	44	5	-100	-11	-213	-24
Average money expenditures	\$412	100	\$537	100	\$618	100
Food	113	28	173	32	208	33
Household operation	67	16	55	10	66	11
Automobile	61	15	85	16	115	18
Clothing	43	10	87	16	98	16
Medical care	25	6	55	10	36	6
Furnishings and equipment	24	6	16	3	17	3
Gifts, welfare, taxes	24	6	20	4	17	3
Housing	15	4	5	1	5	1
Tobacco	14	3	10	2	12	2
Personal care	9	2	13	3	13	2
Recreation	8	2	6	1	14	2
Reading	6	1	6	1	6	1
Travel and transportation	2	1	3	1	1	*
Other family expense	1	*	1	*	4	1
Education	0	0	2	*	6	1

* Less than five-tenths of one percent.

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III. Distribution of farm family income: Average family income, distribution of income among money expenditures, change in net worth, and value of farm-furnished goods used for family living, and distribution of money expenditures by specified groups, 1935-36

Pennsylvania and Ohio farm families with incomes between \$1500 and \$1750

Item of income or expense	Families with husband and wife only		Families with two children under 16		Families with five or six children	
	Amount \$1620	Percent 100	Amount \$1631	Percent 100	Amount \$1624	Percent 100
Average family income						
Value of farm-furnished goods used for family living	559	35	650	40	670	41
Money expenditures	634	39	739	45	841	52
Change in net worth	427	26	242	15	113	7
Average money expenditures						
Food	\$634	100	\$739	100	\$841	100
Household operation	142	22	181	25	248	30
Automobile	90	14	97	13	86	10
Clothing	126	20	110	15	111	13
Medical care	70	11	122	17	151	18
Furnishings and equipment	28	5	52	7	58	7
Gifts, welfare, taxes	44	7	45	6	51	6
Housing	47	7	49	7	31	4
Tobacco	26	4	24	3	29	3
Personal care	15	2	9	1	11	1
Recreation	11	2	16	2	17	2
Reading	17	3	18	2	16	2
Travel and transportation	8	1	8	1	7	1
Other family expense	3	1	4	1	10	1
Education	7	1	2	*	10	1
	0	0	2	*	5	1

* Less than five-tenths of one percent.

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IV. Distribution of farm family income: Net family income, change in net worth, value of farm furnished goods used for family living, and distribution of money expenditures for selected income classes, 1935-36

Oregon and Washington farm families with husband and wife only

Item of income or expense	Family income class			
	\$750- 999	\$1500- 1749	\$2000- 2499	\$3000- 3999
Average net family income	\$851	\$1603	\$2209	\$3241
Average money income	560	1151	1647	2041
Average change in net worth, total	\$20	\$282	\$966	\$2015
Change in inventory	-35	35	187	792
All other	55	247	779	1223
Average value of farm furnished goods, used for family living, total	\$326	\$417	\$375	\$408
Housing	106	158	152	157
Food	201	236	195	219
Fuel, ice, other products	19	23	28	32
Average money expense for family living, total	\$505	\$904	\$868	\$818
Food	169	195	193	189
Clothing	54	87	108	89
Housing	16	38	38	11
Household operation	57	57	75	116
Furnishings and equipment	18	48	39	119
Automobile	57	283	181	170
Other travel and transportation	1	4	0	0
Personal care	15	15	26	21
Medical care	46	99	58	18
Recreation	27	17	43	23
Tobacco	8	7	16	6
Reading	9	11	14	12
Education	0	0	0	0
Gifts, community welfare, and taxes	24	41	71	40
Other items	4	2	6	4

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V. Distribution of farm family income: Net family income, change in net worth, value of farm furnished goods used for family living, and distribution of money expenditures for selected income classes, 1935-36

Oregon and Washington farm families with husband, wife,
and children over and under 16

Item of income or expense	Family income class			
	\$750- 999	\$1500- 1749	\$2000- 2499	\$3000- 3999
Average net family income	\$904	\$1632	\$2224	\$3377
Average money income	496	1078	1570	2342
Average change in net worth, total	\$-81	\$124	\$527	\$1380
Change in inventory	0	16	81	454
All other	-81	108	446	926
Average value of farm furnished goods, used for family living, total	\$408	\$538	\$573	\$581
Housing	91	113	148	209
Food	290	391	391	344
Fuel, ice, other products	27	34	34	28
Average money expense for family living, total	\$577	\$970	\$1124	\$1416
Food	191	262	269	321
Clothing	97	151	181	211
Housing	11	22	31	34
Household operation	45	61	75	106
Furnishings and equipment	21	46	48	66
Automobile	73	179	221	245
Other travel and transportation	4	6	3	7
Personal care	16	26	31	36
Medical care	44	71	86	209
Recreation	21	39	53	42
Tobacco	12	12	20	13
Reading	7	12	12	14
Education	15	43	18	40
Gifts, community welfare, and taxes	18	37	63	66
Other items	2	3	13	6

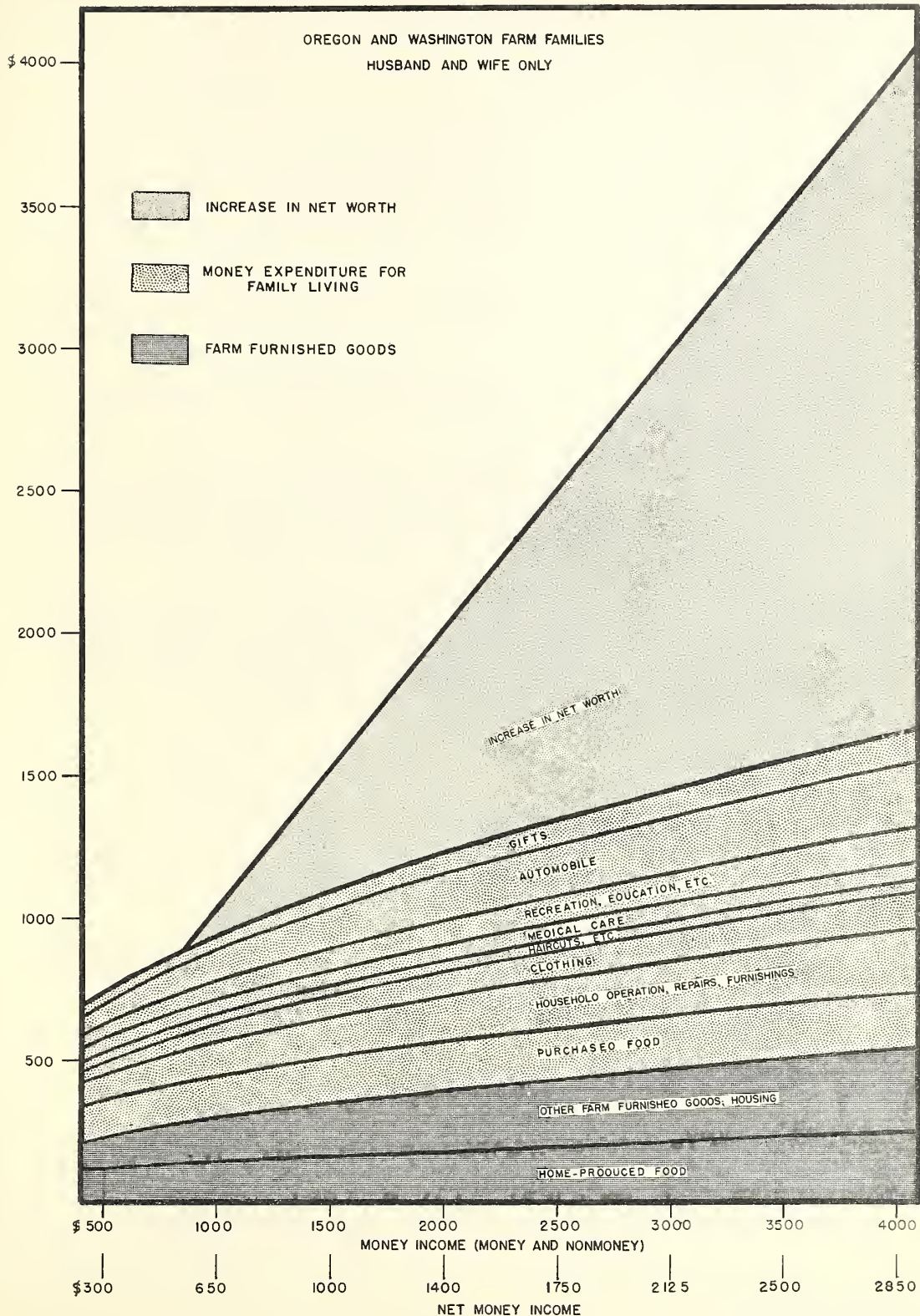
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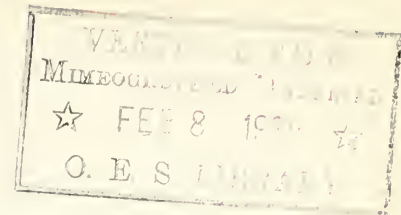
DIVISION OF FARM FAMILY INCOME

AMONG HOME-PRODUCED GOODS

EXPENDITURES FOR LIVING AND INCREASE IN NET WORTH
1935-36

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THE OUTLOOK FOR DEMAND AND PRICES IN 1938

Summary

The total demand for farm products in 1938 is expected to be not greatly different from that in 1937. Domestic demand conditions probably will not be quite as favorable, but foreign demand may show some slight improvement. This outlook is indicated by prospective trends in industrial activity, the general price level, incomes of consumers, and foreign economic conditions, all of which are important elements in the demand for farm products produced in the United States.

The general situation indicates that in the fall of 1937 the upswing of the business cycle has been temporarily halted. Although it is impossible to determine definitely to what extent the present recession will continue into 1938, the chances appear to be against a sufficiently early and vigorous rise in 1938 to bring the average of industrial activity and of consumer income for that year quite up to that of 1937.

The trend of wholesale prices in the United States has been slightly downward since April 1937, and this general tendency is expected to continue into 1938, with lower prices for some raw materials, farm products and manufactured goods offsetting higher prices than in 1937 for some finished and semi-finished products.

Increased supplies of farm products in the United States and decreased supplies available in foreign countries should result in a materially larger volume of agricultural exports from this country in 1938. The larger volume is expected to move into exports at lower average prices than in 1937. Both prices ^{buying} and/power per unit of farm products are expected to be lower in 1938 than in 1937. Cash farm income in 1938 including cash income from farm marketings and Government payments may be somewhat less than in 1937.



DOMESTIC DEMAND

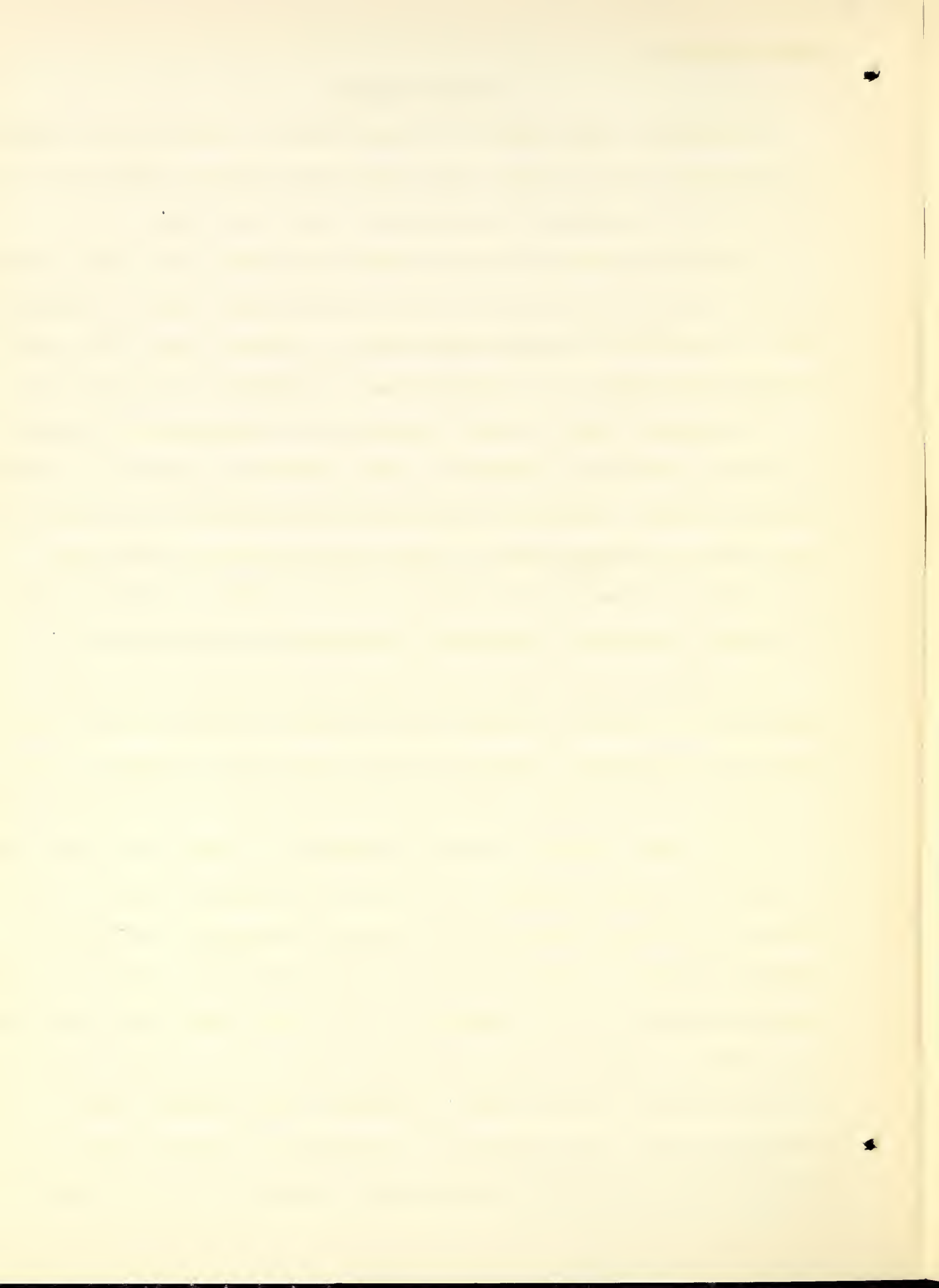
The domestic demand situation for farm products is expected to be somewhat less favorable in 1938 as a whole than in 1937 with conditions during the second half of the year probably more favorable than in the first half.

Industrial production in 1937, at about 115 percent of the 1923-25 average, was about 10 percent higher than in 1936, and only slightly below the average for 1929. It probably will average somewhat lower in 1938 than during 1937, since the unfavorable factors in the situation seem to outweigh the favorable ones.

The national income for 1938 is expected to be maintained only slightly below the high level which prevailed in 1937, tentatively estimated to be about 69 billion dollars. Increases in wage rates recently effected and in prospect, together with the gradual pickup in income from miscellaneous sources which occurs during the upswing of the business cycle, may offset, in part at least, the decrease in industrial production and wholesale prices that may occur.

The wholesale price level in the United States probably will average slightly lower in 1938 than in 1937, with prospective increases in some kinds of finished and semi-finished products being more than offset by declines in prices of a number of raw materials, farm products, and some lines of manufactured goods.

All of these factors in the demand situation, of course, are closely related to changes in industrial activity. One of the best available measures of such activity is the Federal Reserve Index of Industrial Production, the principal individual components of which are steel, textiles, minerals, automobiles, food products, and leather goods. Ordinarily, the two latter items do not contribute significantly to changes in the index, partly because of the relative stability of output of these consumers' goods, particularly food products. Changes in the production of some of these items, such as automobiles, affect the movement of the index directly, and also indirectly by causing variations in the production of raw

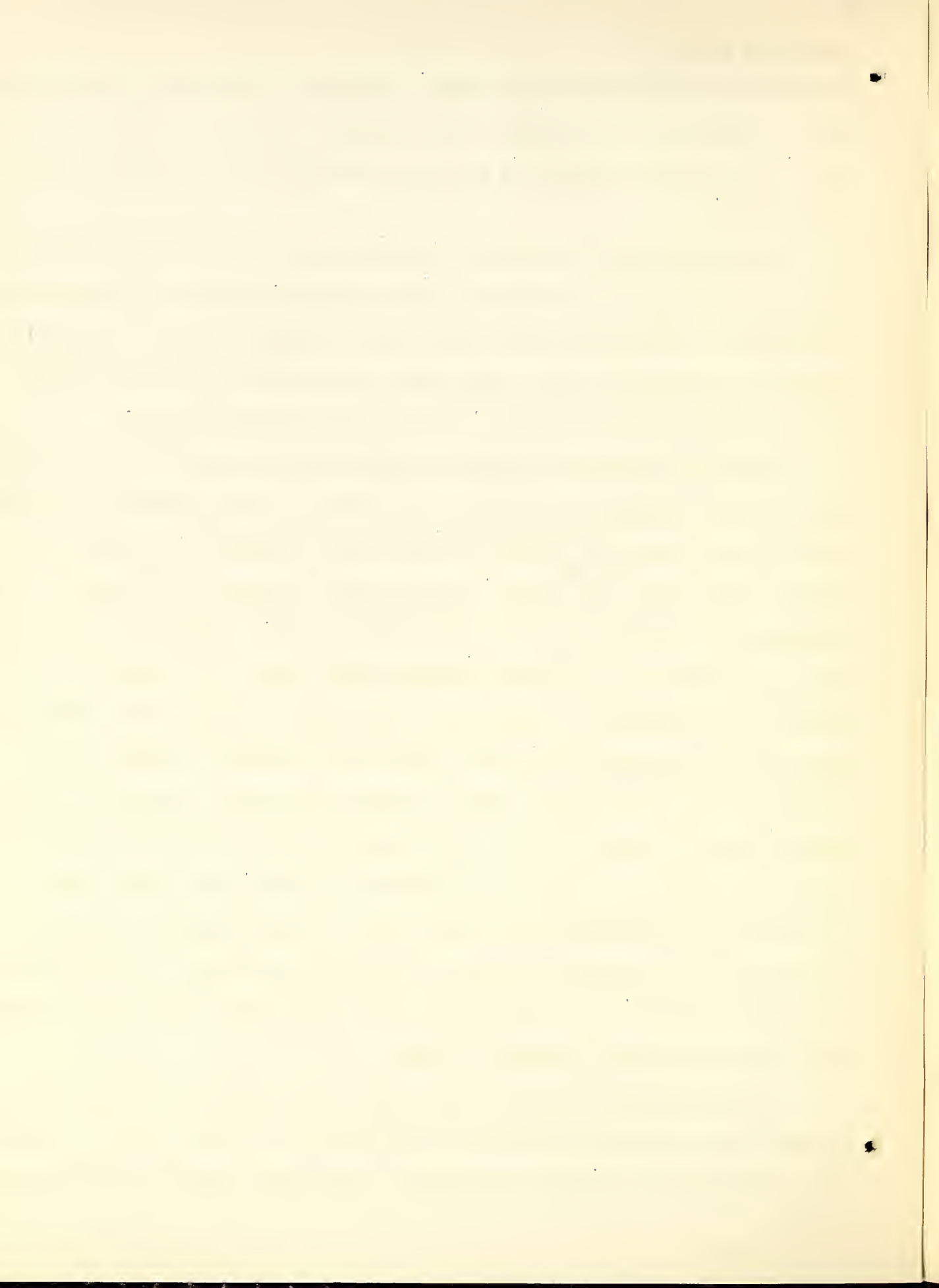


or semi-finished materials such as steel. In order to evaluate the contributions of the different lines of industry to the movement of industrial production as a whole, the relative importance as well as the change in each item must be taken into account.

The fluctuations in industrial production since 1929 have been largely a reflection of changes in the output of steel, textiles, minerals, and automobiles. For example, in 1936 and the first part of 1937 a notable increase in industrial activity as measured by these index numbers represented very largely increases in the output of steel and textiles, and to a lesser extent minerals.

During the past year the textile industry has been operating at a very high rate. Cotton consumption by domestic mills during the season 1936-37 of 7,944,803 bales was the greatest on record, and in the first 8 months of 1937 was nearly 20 percent larger than a year earlier. For the first 7 months of 1937 domestic mill consumption of wool was 11 percent greater than in 1936. Technological improvements have resulted in an almost continuous upward trend in the domestic production and consumption of rayon during recent years, including 1937. Many textile mills were operating during the summer of 1937 largely on advance orders received the preceding spring, and by the latter part of the year unfilled orders had been greatly reduced and there were indications that considerable stocks of both cotton and woolen goods had accumulated in the trade. The lower cotton prices now prevailing will tend to offset part of these unfavorable conditions. Nevertheless, a considerable decrease in the output of textiles in 1938 compared with 1937 is expected. It seems probable that a substantial part of this decline will take place before the middle of 1938.

Steel production during the first half of 1937 totaled 29 million tons, compared with less than 22 million in the first half of 1936. During the summer the steel industry, also, was operating to a considerable extent on unfilled orders.



received during the wave of advance buying earlier in the year, and the usual fall pick-up in new orders has been tardy and thus far in disappointing volume. The extent to which this movement will continue is very difficult to determine, but an examination of the prospects for demand from the several industries using steel indicates that production in 1938 will average slightly less than in 1937. Among these industries that use steel are automobiles, railroad and factory equipment, and building construction, all of which contribute importantly to industrial activity in other ways. Hence, the volume of activity in these industries has an important bearing on prospective demand for farm products.

Some slackening in the rate of automobile production in 1938 compared with 1937 may occur. Sales to new users for the last 3 years have averaged about 1.5 million annually, which is about the same as in 1929. Replacement of obsolete cars sent to the scrap heap has been at the rate of about 2.5 million annually, or substantially below the estimated normal of 3 million. It appears probable that sales to new users will slow up gradually as those now without cars become owners, and replacement demand will become of relatively greater importance. During the depression the average age of cars increased, and as a result a large potential demand still exists, but replacements can be postponed rather easily for short periods. Experience shows that replacements are stimulated by important improvements in the mechanical and style features of automobiles, reductions in prices, and easy credit terms. The reported relatively minor nature of the changes in models for 1938, the higher prices to be asked, the expected more stringent terms for financing purchases of both new and second hand cars, and the psychological effects on prospective automobile buyers of the shift from the sharply upward trend in stock prices and incomes, may result in a smaller replacement demand for automobiles in 1938 than in 1937.

A large potential demand for steel products from the railroads is indi-



cated by the capacity and condition of existing equipment and road bed in relation to prospective traffic needs, but this demand will become effective only as the volume of traffic and net earnings make practicable the necessary financing of replacements and improvements. The larger crops of 1937 will add materially to the tonnage handled by many railroads, but increased wages and other costs may offset much of any increase in total revenues and result in a slight decrease in net earnings. The railroads, therefore, are likely to postpone as far as possible their orders for new equipment.

The building construction industry is one of the major outlets for steel, and of course for cement, lumber, and many other materials. It is one of the most important factors in the employment situation, because of the large number of workers engaged and also because of the relatively great fluctuations in building activity. There is some evidence that building activity experiences cyclical swings which are of longer duration than the business cycle. The bottom of the present construction cycle apparently was reached in 1932-34, and an irregular advance is expected for several years. The value of total building during the first 8 months of 1937 exceeded the same period in 1936 by about 15 percent, but after allowing for higher costs, the increase in volume of construction apparently was only about 8 percent. The upward trend of the last 2 years has not continued into the latter part of 1937. In 1938 the total volume of construction is expected to be slightly greater than in 1937. This estimate is based upon prospects for about the same volume of construction for public, commercial, and factory buildings, and an advance in residential building. Changes in the latter follow changes in the ratio of rents to construction costs. During the past year building costs increased from 10 to 15 percent, with an even greater increase for residential types of construction. This retarded the development of this industry in 1937. No large additional increase in costs during 1938 is expected, while some increase in rents is



likely. This increase in rents would tend to reduce the proportion of consumer income available for the purchase of farm products, but would also stimulate residential building and thereby contribute to larger total consumer incomes.

Prospects for industrial activity are based not only upon a summation of the prospects for these and other individual industries, but also upon the outlook for business conditions in general. These more general factors in the industrial situation include prospective government spending and economic policies, the degree of speculation in securities and commodities, interest rates, the volume of credit available for utilization by business and prevailing trends in such utilization.

Many of the conditions which in the past have been associated with the termination of a major cyclical upswing in business activity now are absent. This, like the above-mentioned conditions in individual lines of business is important in any attempt to find in business trends a clue to prospective demand for farm products. Business debts are low, credit is cheap and plentiful, banking resources are not strained, there is no building boom, and there has been an absence of violent speculation of the type which frequently precedes the end of a business boom. The volume of security issues for new capital purposes during the first 7 months of 1937 was approximately 50 percent larger than in the same period of 1936, and the needs for further expansion and rehabilitation of plant and equipment in many industries, together with relatively low interest rates, may lead to further use of credit for such purposes during the next few years. The volume of demand deposits and money in circulation is considerably in excess of the volume in the late 1920's and is, therefore, sufficient to support a considerably higher level of activity and incomes than prevailed at that time. Moreover, the large volume of gold in excess of requirements removes any danger that expansion might be checked by a deficiency in the monetary gold base. The expansion in the credit base is



looked upon by many business forecasters as a fundamentally important influence calculated to carry industrial activity and prices to levels higher than any reached so far during the recovery, although compared with previous experience the increased monetary reserves are subject to a greater degree of control by monetary authorities. The general impetus of the upward movement of the business cycle is counted upon by these observers to carry industry ahead with no more than very temporary and minor periods of hesitation.

The volume of commercial bank credit, which has shown a continuous expansion from the end of the banking holiday in 1933 to the end of 1936, has since leveled off. The prospects are for little change in the aggregate for 1938. Commercial loans may be expected to continue to increase though at a somewhat slower rate than in the past year. Bank holdings of Government obligations, on the other hand, may continue to decline. This depends in part on whether the indicated excess of Federal cash receipts over cash disbursements is used for the retirement of publicly held debt or for the sterilization of further gold inflows. Credit is expected to continue relatively abundant. This is expected to have a significant relation to agriculture, not only because of its bearing on business activity and consumer demand, but also through its influence on agricultural credit.

There are also some unfavorable indications in the general situation. The stimulus for rises in business activity at various times since 1933 has come, to a considerable extent, from government spending, deficit financing, and monetary measures. The bonus distribution in 1936 undoubtedly proved to be a material stimulus to business last year. With the tendency to curtail government spending and the expansion of credit by deficit financing through banks, such stimuli are likely to play a less prominent part in business advances during the next few years, and new elements in business will have to take up the slack caused by the gradual withdrawal of the Government from such engagements. An expected boom in building



activity has been counted upon by many observers to more than offset any slackening of the Government's support to business, but present conditions in the building industry do not indicate any large expansion in 1938.

The upswing of a business cycle usually is characterized by periods of hesitation. Business sentiment becomes less optimistic, security prices experience temporary declines, and business men postpone extensive commitments for expansion or rehabilitation. These conditions in turn lead to hesitant buying by potential consumers of many products. Stocks of finished and semi-finished merchandise may accumulate in dealers' hands and orders received by manufacturers decline as buying is placed on a hand-to-mouth basis. Business appears to have entered such a phase in the latter part of 1937, following the period of decided optimism in the winter of 1936-37. It is difficult to determine how long such a pause in the cyclical upswing of business activity will continue, but the appraisal of general conditions gives some support to the impression based on the situation for individual industries that this recession will run well into 1938.

The relation of this general outlook to the demand for individual farm products will be indicated more fully in the separate outlook reports for individual commodities.

FOREIGN DEMAND

Foreign demand for American agricultural products may show some slight improvement in 1938 unless the current military operations in the Orient should result in a marked reduction in our trade with that area. Due partly to shorter supplies of some commodities in foreign countries and larger supplies available for export in the United States, however, the volume of agricultural exports from this country during the remainder of 1937 and the first half of 1938 is expected to be materially larger than a year earlier.

The situation in regard to supplies of agricultural products in foreign

countries this year is more favorable to exports of these products from the United States than it has been for a number of years. Except in the case of cotton, foreign production of most agricultural products competing with United States agricultural exports is expected to be smaller during the current marketing year than was the case during last season. Canada has just harvested one of the poorest wheat crops in years. Supplies of grain in the Southern Hemisphere are at a low level and prospects in that area are for a wheat crop about 10 percent smaller than the crop harvested last year. In Europe, grain supplies have been reduced, livestock production is declining, and the fruit crop is smaller than the average size crop harvested in 1936.

The volume of total world trade in 1936 was 5 percent larger than in 1935, and during the first quarter of 1937 it was more than 12 percent larger than in the corresponding period of 1936. Barring new and unforeseen complications in international relations, world trade during 1938 is expected to show further improvement. Increased activity in the industrial countries and rising internal prices (unless offset by changes in exchange rates) tend to encourage imports, particularly of raw materials. The rise in prices of important raw materials and the increased quantity entering international trade during the last year or two have greatly improved the purchasing power of those countries that are large exporters of these products. Prices of some of these important international commodities will probably be lower in 1938 than in 1937, but prices in general are expected to be maintained at a relatively high level compared with recent years. The increased demand for industrial goods arising from the improved purchasing power in the countries supplying these products may be expected to influence favorably world industrial production and world trade.

Industrial activity in foreign countries has continued the improvement noted since 1932. In 1936, activity was 9 percent higher than in 1935 and during the

first 6 months of 1937 was 10 percent higher than in the corresponding period of 1936. Indications point to a leveling off during the latter half of 1937, although few specific data are yet available.

A very important though unmeasurable part of the improvement in world industrial activity and world trade during the past year or more has been due to rearmament. A continuation of rearmament programs would help to maintain world industrial production and world trade in 1938 at relatively high levels.

The improvement in industrial activity and world trade has taken place ^{the}in/face of relatively high trade barriers and has in itself contributed to some reduction in these barriers. During the past year there have been a number of reductions in import duties and charges and a loosening of quantitative control of imports in several countries. For example, most European importing countries have reduced their import barriers on wheat, and France and Italy made reductions in import duties on a number of products coincident with currency devaluation. An example of more general progress in this direction is the new Oslo convention whereby the Netherlands, Belgium, Luxemburg, Denmark, Sweden, Norway, and Finland agree to reciprocal reduction of quantitative import restrictions and agree not to increase certain tariffs. This agreement is open to other countries. Another outstanding example of influences in the direction of lower world trade barriers is to be found in the trade agreements program of the United States. Some further relaxation of trade barriers is in prospect during 1938-39, partly because of the sheer need of countries for each other's products.

It must not be overlooked, however, that a strong tendency toward self-sufficiency in a number of countries continues to exist. Germany and Italy furnish the outstanding examples. Moreover, the United Kingdom, the world's largest importer of agricultural products, continues to promote an expansion of domestic production, particularly of wheat.

Probably the most uncertain element in the foreign demand situation and one that must be reckoned with for the immediate future at least is the military conflict in the Orient. The effect of this conflict on our foreign trade depends to a considerable extent upon how effective a blockade of Chinese ports can be maintained and on the extent and duration of military activities. The destruction of Chinese cigarette factories and cotton mills will, of course, lessen the ability of that country to utilize American tobacco and cotton. In the past, however, similar though less extensive conflicts have resulted in increased exports of wheat and particularly wheat flour to China. Exports of agricultural products from China, including various vegetable oils, animal hair, silk, and dried eggs, have already been curtailed and are likely to remain at low levels so long as military activities continue.

Of greater potential importance to the United States is the possible effect of the conflict on Japan's financial condition. The continuation of military activities on such a large scale is extremely costly and Japan has already instituted a strict control of imports, limiting them to absolute necessities and to war materials. Although exports of cotton to Japan have been very large in 1937, the situation in that country is expected to lead to curtailed purchases of American cotton in 1938.

PRICES

The level of wholesale prices in the United States is expected to be slightly lower on the average in 1938 than in 1937, with prospective lower prices for raw materials, farm products and some kinds of manufactured goods more than offsetting higher prices for some lines of finished and semi-finished products.

The trend of wholesale prices in the United States has been slightly downward since April, following an irregular upward trend for 4 years. The price dispersion among commodity groups, which was very large in 1933 as compared with



1926, had practically disappeared by early 1937, but has increased again in recent months. The ratio of wholesale prices of farm products to wholesale prices of non-agricultural products exceeded the pre-war level in the first quarter of 1937, but it has declined considerably since March. The decline in wholesale prices since April has been due largely to the recession in prices of farm products resulting partly from a more nearly normal production in 1937 than in the drought year of 1936. The level of wholesale prices is expected to be lower in 1938 than in 1937.

Prices of most nonagricultural products advanced sharply in late 1936 and early 1937 owing to increased business activity, higher wage rates and forward buying in anticipation of labor troubles and advancing prices. Since April prices of most manufactured products have advanced more slowly and have been offset in part by declines in prices of textiles, chemicals, and drugs. Unless or until wages, taxes and other costs are increased further, a large part of the rise in manufacturing costs may already have been reflected in wholesale prices. Consequently, lower prices for many raw materials and increases in labor productivity may result in lower prices for some nonagricultural products.

Retail prices probably have not yet reflected all of the rise in wholesale prices of manufactured products and in marketing costs. Indications point to some further increases in retail prices of automobiles, furniture, furnishings, shoes, and fuel. The effect on living costs of these increases will probably be offset in part by lower prices of rayon and cotton clothing, meats, and some other foods. The rise in rents is expected to continue though perhaps at a slower rate than in 1937.

The general level of farm prices reached its recovery high in January 1937 at 131 percent of the 1910-14 average. The trend has been downward since January and in September the index number of farm prices was (118) compared with 124 a year earlier. Farm prices are expected to average lower in 1938 than in 1937.

With the changes in prices and marketings now in prospect, it seems probable that income from farm marketing in 1938 will be lower than in 1937. Income from government payments under existing legislation, including those to cotton producers on account of the crop of 1937, will be greater. Taking into account both income from marketings and government payments, cash farm income in 1938 may be somewhat less than in 1937. In the early months of 1938 larger volumes of crop and livestock marketings may offset decreases in prices. Marketings of farm products during the remainder of 1938 will depend to a large extent upon next year's crop outturn, but if domestic demand is no lower than in the corresponding period of 1937 any change in the supply of farm products may be about offset by an opposite change in price, thus maintaining income during this period fairly close to the level that prevailed in the corresponding period of 1937. This year however, short wheat crops in other countries coincided with a heavy production in the United States increasing the income from this commodity. Possible return to more nearly normal relationships in 1938 may reduce the income from this item in an amount sufficient to more than offset increases for some other products, thus causing farm income in the last half of the year to be somewhat less than in the same part of 1937.

Prices paid by farmers for commodities in September were about 130 percent of pre-war and 3 points higher than a year earlier. Some further advance in prices paid by farmers may occur during 1938 so that the buying power of farm income in 1938 is not expected to be quite as high as in 1937.

Prices in the major foreign countries have been advancing sharply for a little more than a year, although a tendency to level off recently has been evident in some countries. A combined index of wholesale prices in the moneys of 7 foreign countries which take about 70 percent of our agricultural exports (England, Canada, Germany, France, Netherlands, Japan, China) has risen 19 percent since June 1936, when the sharp upward turn began. Although all 7 countries contributed to this price rise, prices in France rose the most with a total advance of 54 percent, due partly to currency devaluation and partly to the newly adopted social legislation and reduced hours of labor per week. Prices in the Netherlands and Japan advanced next in order over those prevailing in June 1936 whereas prices in Germany have risen only 2 percent, because of governmental price controls. Higher prices are probable next year in France and Japan, whereas prices in England and some other countries may be a little lower. Consequently, price movements in foreign countries are not likely to have any great effect upon prices in the United States.



Business statistics relating to the demand for farm products, specified periods

Year and month	: Nation- : Non- : Indus- : Build- : : Income : Foreign : : Prices : Prices : Ratio of														
	: al :agri- : income : cultural : income : duction : tracts : ment : : awarded : : : : 3/ : 3/ : 3/ : 4/ : 5/ : 6/ : 7/ : 8/ : 9/ : 10/ : paid	: 1929 : 1924-29 : 1923-25 : 1923-25 : 1923-25 : 1924-29 : 1923-25 : 1910-14		: 1913 : 1910-14 : 1910-14 : 1910-14		: 1910-14 : 1910-14		: 1910-14 : 1910-14							
Base period	100	107	119	117	105	106	136	139	166	146	153	95			
1929	93	100	96	92	91	87	124	126	158	126	145	87			
1930	78	86	81	63	77	67	111	107	130	87	124	70			
1931	62	63	64	28	66	46	97	95	108	65	107	61			
1932	57	63	76	25	72	48	107	96	105	70	109	64			
1933	64	72	79	32	82	60	116	109	117	90	123	73			
1934	68	77	90	37	86	67	124	117	127	108	125	86			
1935	76	87	105	55	92	77	134	118	130	114	124	92			
1936															
July		87	108	59	91	77	134	118	133	115	123	93			
Aug.		87	108	62	94	78	135	119	133	124	126	98			
Sept.		88	109	59	96	77	138	119	134	124	127	98			
Oct.		90	110	57	97	81	139	119	131	121	127	95			
Nov.		93	114	58	97	84	141	120	131	120	127	94			
Dec.		101	121	66	98	87	142	123	131	126	128	98			
1937															
Jan.	93	93	114	63	96	87	140	125	134	131	130	101			
Feb.	94	94	116	62	99	88	142	126	134	127	132	96			
Mar.	95	95	118	56	101	91	145	128	135	128	132	97			
Apr.	96	96	118	53	102	94	146	128	136	130	134	97			
May	97	97	118	56	102	95	11/147	128	137	128	134	96			
June	97	97	114	61	101	94	148	127	137	124	134	93			
July	98	98	114	68	101	95	147	128	136	125	133	94			
Aug.	98	98	117	65	102	95		128	135	123	132	93			
Sept.								127	136	118	130	91			

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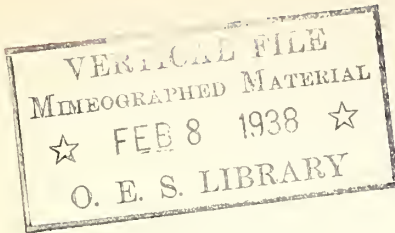
Business statistics relating to the demand for farm products, specified periods - Cont'd.

NOTES:

- 1/ Department of Commerce index of "national income paid out", 1929 = 100. Comprises the payments to or receipts by individuals in the form of wages, salaries, interest, dividends, entrepreneurial withdrawals, and net rents and royalties for these services.
- 2/ Industrial Relations Division of the Agricultural Adjustment Administration, 1924-29 = 100, adjusted for seasonal variation. Entire series was revised in July, 1937.
- 3/ Federal Reserve Board index, 1923-25 = 100, adjusted for seasonal variation.
- 4/ Bureau of Labor Statistics index, 1923-25 = 100, without seasonal adjustment.
- 5/ Bureau of Agricultural Economics, 1924-29 = 100, adjusted for seasonal variation. Includes factory workers, railroad and mining employees.
- 6/ Bureau of Agricultural Economics, 1923-25 = 100, adjusted for seasonal variation. Weighted average of index numbers of industrial production for nine foreign countries -- United Kingdom, France, Germany, Italy, Japan, Canada, Belgium, Czechoslovakia, and Poland. Entire series was revised in July, 1937.
- 7/ Bureau of Labor Statistics index, 1910-14 = 100, without seasonal adjustment.
- 8/ Bureau of Labor Statistics index, 1913 = 100.
- 9/ Bureau of Agricultural Economics, August 1909-July 1914 = 100.
- 10/ Bureau of Agricultural Economics, 1910-14 = 100.
- 11/ Preliminary.



Preliminary Bureau Draft
Confidential - Not for publication



The Credit Outlook for 1938

Summary

The volume of short-term credit used by farmers and stockmen in 1938 is expected to be at least 10 percent larger than in 1937 because of rising costs and need for replacements and additions to equipment.

Ample lending resources for meeting the increased credit needs are available at commercial banks and through agencies rediscounting with the Federal intermediate credit banks. Interest rates are likely to be little different from those prevailing in the current year.

The demand for new mortgage credit is expected to be small - chiefly for the purchase of farms.

Loans will be available from the Commodity Credit Corporation to producers of cotton on the basis of 9 cents per pound on cotton classing 7/8 inch Middling or better. Policies relative to any corn-loan program will be announced later.

The loan program of the Farm Security Administration includes provisions for making loans of a type similar to those formerly made to farmers by the Resettlement Administration. This program includes standard rehabilitation loans for financing small farmers and the supervising of their operations, emergency rehabilitation loans to small farmers in areas affected by drought or other catastrophes for the purpose of enabling borrowers to maintain necessary livestock, and community and cooperative loans for the establishment of group services.

Past experience has indicated that the contraction of indebtedness on too heavy a scale in periods of rapidly rising farm prices frequently leads to future difficulties for farmers. Amounts borrowed for the purchase of

Credit--2.

farms should be consistent with the prospective earning power of the farms over a period of years with some margin of safety to protect against years of low prices or unfavorable weather conditions. In borrowing on short term to expand production, it should not be overlooked that the loans fall due within a relatively short period, and that unless farmers are prepared to pay these loans when due they run the risk of being forced to sacrifice livestock or equipment that are needed in their farming operations.

Increased Short-Term Credit Needs Indicated

The volume of short-term credit used by farmers in 1938 is expected to be at least 10 percent larger than in 1937. Factors contributing to the increased demand for credit are the higher prices of commodities purchased and higher labor rates, the need for many improvements and replacements of a semi-permanent nature, and the need for funds to finance feeder and stocker purchases. The supply of feedstuffs from the crop of 1937 is larger than in any recent year and with a more favorable ratio of feed costs to fat-cattle prices, there will be a strong inducement to increase the number of cattle on feed.

Ample Loanable Funds Available

Ample lending facilities exist for meeting the anticipated increase in the need for short-term agricultural loans. Interest rates are likely to be little different from those prevailing in the current year (table 1).

Table 1.--Demand deposits of country banks ^{1/}. (1924-29 monthly average = 100)

Year		20 leading	Cotton grow-	Corn Belt	Range States
		agricultural	ing States	States	
		States			
		Percent	Percent	Percent	Percent
Monthly average	1929	99.0	93.0	97.2	103.6
"	" 1932	57.3	41.8	59.6	54.7
"	" 1933	48.6	41.4	48.8	46.8
"	" 1934	66.0	59.1	70.7	63.9
"	" 1935 ^{2/}	77.5	71.2	85.3	77.1
"	" 1936	97.6	94.7	106.9	101.3
July	1936	99.1	89.7	109.7	100.7
July	1937	105.4	96.9	116.7	107.9

^{1/} Deposits of member banks of the Federal Reserve System located in places of less

Credit--3.

Demand deposits of country banks, which have shown a steady increase since the spring of 1933, have reached new high levels. Such deposits in 20 of the leading agricultural States were 105.4 percent of their 1924-29 monthly average in July, an increase of 6 percent over a year ago. The flow of funds into agricultural areas reflected by rising deposits has been partly offset, in their effect upon operating reserves of country banks, by an expansion of loans (table 2). Despite this expansion of loans which has led to a loss of reserves to urban areas, and despite the doubling of legal reserve requirements of member banks, excess reserves and readily salable investments of country banks are sufficiently large to afford the basis for an appreciable further expansion of loans.

Production credit associations and other agencies, such as agricultural credit corporations and livestock loan companies, that rediscount agricultural paper at the Federal intermediate credit banks, are likewise in a position to provide a plentiful supply of credit for sound agricultural loans. Federal intermediate credit bank debentures which are used to obtain funds for making these loans find a ready market at interest rates practically the lowest in history. No appreciable change in such interest rates is anticipated in 1938.

Table 2.--Outstanding short-term loans to farmers

Month and year	Commercial banks	Federally sponsored: credit agencies ^{1/}	Total
	1,000 dollars	1,000 dollars	1,000 dollars
December 31, 1920	3,869,891	.....	3,869,891
December 31, 1923	2,743,818	9,105	2,952,923
June 30, 1931	1,936,360	79,206	2,015,566
December 31, 1934	807,613	203,626	1,011,239
June 30, 1936	661,606	229,506	891,112
December 31, 1936	593,614	171,517	765,131
June 30, 1937	726,400	230,302	956,702

^{1/} This series includes short-term loans similar in character to those made by commercial banks, excluding emergency drought, rehabilitation, and seed loans. Types of loans included are Federal intermediate credit bank loans to, and discounts for "other financing institutions", regional agricultural credit corporation loans, and production-credit association loans.

Credit--4.

The lending position of country banks and the various agencies rediscounting with the Federal intermediate credit banks will be further strengthened in the next few months by a flow of funds from the marketing of crops and livestock, relatively larger than in the same period a year ago. This will lead to a further rise of deposits and favorable collections on outstanding loans. Collections during the current year are exceptionally large on range cattle and sheep loans (except in those areas affected by the drought) and on loans for producing tobacco; fair to good on cotton-production loans; and less favorable in many areas on loans to finance fruit and vegetable production, particularly potatoes.

At the same time, the position of the farmer as a credit risk has further improved. The rise in farm commodity prices in the last few years, particularly in livestock prices, has increased the value of the collateral that farmers can offer as security for loans. In addition, many farmers have added to the value of their plant and equipment by replacements and additions to machinery and to farm improvements. With the rising level of farm income, delinquent taxes and interest also have been further reduced.

The credit needs of farmers will be reduced, in part, by payments made under the Agricultural Conservation Program and by cotton-adjustment payments.

Disbursements under the 1937 Agricultural Conservation Program may reach a total of \$440,000,000. It is expected that between 5 and 10 percent of these payments will be made during the last 2 months of 1937, with the bulk of the payments being disbursed to farmers in the first quarter of 1938. In connection with an analysis of the effect of these payments on the credit needs of farmers, consideration should be given to the number of people believed to be eligible for participation in the program. It is estimated that the number of grants to be made under this program may exceed 4,100,000.



Credit--5.

The Commodity Credit Corporation has announced a cotton-loan program providing for the making of loans to producers of the 1937 crop on the basis of 9 cents per pound on cotton classing 7/8-inch Middling cotton, or better; 8 cents per pound on cotton classing 13/16 inch in staple, and Middling or better in grade; $7\frac{3}{4}$ cents per pound on cotton classing 7/8 inch as to staple but under Middling as to grade. The requirements also stipulate that no loan will be made on 7/8-inch cotton or better in staple which is of a grade not deliverable on contract under the regulations of the New York and New Orleans cotton exchanges, and no loans will be made on 13/16-inch cotton under Middling grade.

Under the cotton price-adjustment-payment plan announced on August 30, 1937, the Secretary of Agriculture is authorized to use not to exceed \$130,000,000 for payment to cotton producers who show proof of compliance with a 1938 agricultural program to be formulated under legislation to be enacted pursuant to Senate Joint Resolution 207, and who sell cotton from the 1937 crop prior to July 1, 1938. The amount to be paid to such cotton producers will be the difference between 12 cents a pound and the average price of 7/8-inch Middling cotton on the 10 spot markets on the day of sale, but not to exceed 3 cents a pound. Payment will be made on 65 percent of a producer's base production, unless such payments do not approximate the \$130,000,000 appropriated, in which case payments will be made with respect to a larger proportion of the base production.

At this time consideration is being given to the advisability of conducting a corn-loan program with respect to the 1937 corn crop. The policy of the Administration concerning such a loan program will be determined at approximately the time the corn crop of the Corn Belt starts moving to market.

The need for emergency loans and grants to meet situations caused by drought or flood will probably be considerably smaller in 1938 than in 1937. The area affected by drought in 1937 is smaller than in 1936, when farmers in severely affected areas required substantial help to meet living and production expenses until the new crops matured. Moreover, floods in the spring of 1937 caused more extensive damage than those usually occurring. With abundant supplies of feed crops and enlarged incomes, more farmers enter 1938 in better position than last year to carry on without special emergency assistance.

Loans Available Through the Farm Security Administration

On September 1, 1937 the rural rehabilitation and relief activities formerly performed by the Resettlement Administration were placed under the Farm Security Administration, which is also under the direction of the Secretary of Agriculture.

In the coming year the Farm Security Administration will make loans as follows:

Standard Rehabilitation Loans.---This phase of the program consists essentially of financing small farmers and supervising their operations under acceptable farm and home management plans. Loans will be made to farm owners, farm tenants, share-croppers, farm laborers, or persons who, when last employed, obtained the major portion of their livelihood from farming operations. These persons must be unable to obtain credit from private sources or other Government agencies and be possessed of personal characteristics and have available land resources, either owned or rented, of such nature as to give promise of a successful outcome of farm and home management plans. Standard rural rehabilitation loans are not made for the purpose of refinancing real estate indebtedness or aiding in the purchase of real property.

Emergency Rehabilitation Loans.--The phase of the program that deals with emergency rehabilitation loans consists principally of making loans to eligible persons as enumerated above in areas affected by drought or other catastrophes for the purpose of enabling borrowers to maintain necessary livestock.

Group Service.--In certain instances where it is determined that eligible persons as enumerated above can best be aided by loans to groups or individuals for the establishment of group services, such loans will be made. The establishment of bull rings, jack cooperatives, and the like, would fall in this category.

In addition to the above, grants will be made to eligible persons on farms whose material and credit resources are inadequate to meet accepted subsistence requirements to maintain health and prevent human suffering.

During the last fiscal year new standard loans and supplemental loans to standard cases were approved for a total amount of \$54,000,000. During the same period a total of \$17,000,000 was loaned for emergency purposes. Subsistence grants totaled \$34,000,000, of which \$22,000,000 was required in drought areas.

Farm Mortgage Credit

The demand for new farm-mortgage loans in 1938 is expected to be light in view of the reduction in the demand for emergency refinancing and the relatively small volume of loans required for the purchase of farms. During the first half of 1937 there were decreases in the outstanding farm-mortgage loans of all the principal lending agencies except commercial banks (table 3). Although the volume of new loans made by the Federal land banks and Land Bank Commissioner in the first 6 months amounted to \$59,665,000, this was more than offset by repayments of principal and the reduction occasioned by foreclosures. The increase in farm real estate loans of commercial banks in the first half of the year is in part seasonal, reflecting the use of real estate security for crop production loans.

Table 3.--Outstanding farm-mortgage loans of leading lending agencies, 1929-37

Year ended January 1	Federal land bank and Land Bank Commissioner	Life insurance companies	Commercial banks	Joint stock land banks	Three State credit agencies
	1,000 dollars	1,000 dollars	1,000 dollars	1,000 dollars	1,000 dollars
1929	1,194,821	2,139,032	1/	656,516	95,906
1930	1,198,514	2,113,810	1/	627,415	93,274
1931	1,189,604	2,060,576	2/ 945,172	590,811	92,698
1932	1,167,898	1,972,302	1/	536,644	93,014
1933	1,128,564	1,839,388	1/	459,183	84,075
1934	1,303,445	1,637,029	2/ 555,885	392,438	79,574
1935	2,532,617	1,247,416	499,251	255,931	62,286
1936	2,866,651	1,054,770	487,505	175,677	48,091
1937	2,900,937	936,455	487,534	133,499	32,657
1937 (Aug.1) :	2,880,000	3/ 894,759	2/ 504,138	113,234	1/

1/ Data unavailable.

2/ June 30.

3/ Estimated.

Available data on mortgage recordings indicate continuation of increased activity in farm mortgages by private investors. During the first 6 months of 1937, estimated farm-mortgage recordings by other than federally sponsored agencies increased 11 percent over the first half of 1936 and amounted to 50 percent more than during the corresponding period of 1934 when the volume of such recordings was abnormally small. Mortgage recordings include renewals and refinancing of existing mortgages and to that extent do not represent additions to the outstanding debt. However, they do indicate the extent to which various lending institutions are making their credit facilities available to farmers, either through renewal and refinancing of existing mortgages or through the making of new loans. A portion of such recordings represents mortgages taken in connection with the sale of acquired real estate. (Table 4.)

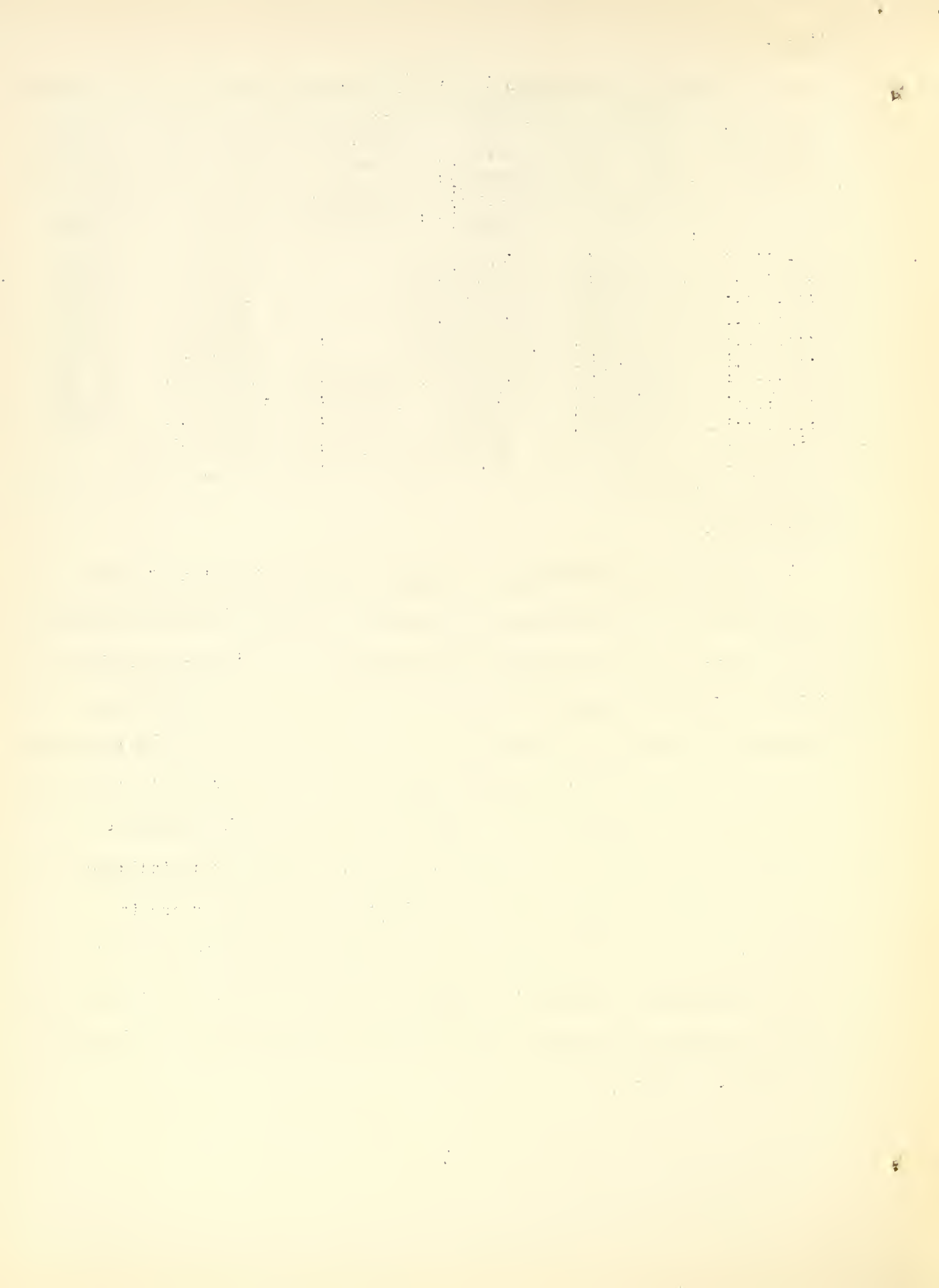


Table 4.--Estimated amount of farm mortgages recorded in the United States during the first six months of 1934, 1935, 1936, and 1937, by type of lender

First six months of	Federal land banks	Land Bank: Commis-sioner	Private lenders 2/					Total all lenders
	1/	1/	Total	Indi-viduals	Commer-cial banks	Insurance companies	Others	
(Thousands of dollars)								
1934	432,950	309,997	238,278	115,857	56,591	20,732	45,098	981,225
1935	151,795	124,959	300,676	141,300	85,004	37,668	36,704	577,430
1936	67,928	48,133	321,657	134,872	94,003	56,619	36,163	437,718
1937	36,275	23,390	358,532	145,285	116,676	69,492	27,079	418,197
(Percent of total)								
1934	44.1	31.6	24.3	11.8	5.8	2.1	4.6	100.0
1935	26.3	21.6	52.1	24.5	14.7	6.5	6.4	100.0
1936	15.5	11.0	73.5	30.8	21.5	12.9	8.3	100.0
1937	8.7	5.6	85.7	34.7	27.9	16.6	6.5	100.0

1/ Actual number of loans closed exclusive of Puerto Rico.

2/ Based on reports from counties including from 38 to 49 percent of the farms in the United States.

Collections

With prospects that farm income in the remainder of 1937 and in the first part of 1938 will be well maintained, and with better geographic distribution of the income than for several years, further improvement in collections on farm mortgages appears probable during the coming year. Collections on Federal land bank loans showed improvement from 1936 to 1937 in all geographic divisions except the West North Central States. Although the moratorium granted by Congress permits borrowers to postpone principal payments coming due before July 11, 1938, all matured installments had been paid in full, as of June 30, 1937, on 77.8 percent of the outstanding Federal land bank loans. This compares with 75 percent a year earlier and only 64 percent 2 years ago. Apparently many farmers have felt that reduction of debt was the soundest use they could make of available receipts, even during these years of only fair income. (Table 5.)

Table 5.--Condition of Federal land bank loans outstanding, June 30, 1936 and 1937 ^{1/}, by geographic divisions

Geographic division	: Percent of loans : with all matured : installments paid : by borrowers		: Percent of delin- : quent loans includ- : ing loans with : delinquent install- : ments and/or delin- : quent extensions		: Percent of loans : with all matured : installments : extended but with : no delinquency : in such extensions	
	1936	1937	1936	1937	1936	1937
North Atlantic ...	84.7	90.0	14.8	9.4	.5	.6
East North Central:	85.0	88.2	11.8	8.1	3.2	3.7
West North Central:	69.0	65.4	21.2	12.6	9.8	22.0
South Atlantic ...	75.5	81.1	13.9	8.2	10.6	10.7
South Central	73.6	79.1	14.2	11.1	12.2	9.8
Western	71.7	77.9	21.2	16.0	7.1	6.1
United States ..	75.0	77.8	16.5	11.2	8.5	11.0

^{1/} Farm Credit Administration.

New legislation has made it possible for borrowers of the Federal land banks to deposit funds for later use in making regular semi-annual or annual payments on Federal land bank loans. The utilization of this new privilege of building up financial reserves should encourage and assist borrowers from such institutions in keeping their loans in good standing in subsequent years of depression, crop failure, or family misfortune. Deposits drawing interest may now be placed with these banks when funds are available from income or other sources and will be held by them only for application on the loan when low receipts or unusual expenses make the interest and installment payments particularly burdensome.

Credit for Financing Purchases of Farms by Tenants

The Farm Security Administration in 1937 will enter upon a program of financing the purchase of farms for tenants in accordance with the provisions of the Bankhead-Jones Farm Tenant Act of July 22, 1937. A total of \$9,500,000 is available for this purpose, an additional \$500,000 being provided for administrative expenses. This sum will be distributed among the various States on the basis of farm population and the prevalence of tenancy. It is estimated that this will provide for the purchase of from 2,000 to 2,500 farms during the coming year. For purposes of simplifying administration, the farms to be financed during the coming year (1938) will be concentrated in about 300 counties. The interest rate on loans will be 3 percent and the term may not exceed 40 years. Loans will be made only for the acquisition of farms sufficient in size to constitute efficient farm-management units. Preference will be given to persons who are able to make an initial down payment or who are owners of livestock or farm implements necessary for successful farming operations.

Debt Adjustment

Assistance in the voluntary adjustment of indebtedness between farmer debtors and their creditors will be continued by the Farm Security Administration. During the year ending June 30, 1937, adjustments were made in a total of 27,000 cases involving a total indebtedness of \$96,000,000. A reduction of \$25,000,000 in indebtedness was effected, and the debtors benefited were enabled to pay \$1,724,000 in back taxes to local governments.

Caution Needed in Use of Credit

During the last several years land values have shown a distinct upward trend from the low point of 1933. This trend is the natural reaction to the higher prices and incomes that have been received in recent years and to the lower interest rates and tax rates that have existed. It is probable that

Credit--12.

some further effect of these factors will tend toward higher land values. As the liquidation of distressed holdings of real estate declines, the effect of such large holdings as a factor restraining a rapid rise in land values may be expected to decline somewhat. On the other hand, taxes can hardly be expected to remain indefinitely at present levels, unless the demand for public services shows a decline.

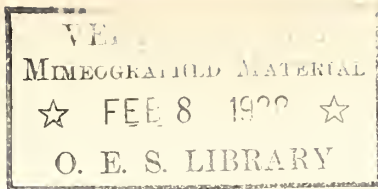
In view of the current rising trend in land values, it is appropriate to recall that many of the difficulties of farmers since 1920 have been closely associated with overcapitalization and overborrowing attending the boom in land prices culminating in 1920. Ordinarily, purchase-money mortgages, as well as other types of loans, must be repaid through the earnings of the farm. The price paid and the amount of the loan, therefore, should be consistent with the prospective earning power of the land over a period of years with some margin of safety to protect against years of low prices or unfavorable weather conditions.

Past experience has also shown that similar considerations should govern borrowing for the production of crops or livestock and borrowing to increase machinery and equipment or to make repairs and improvements on farms. Essentially the proper functions of credit are to increase the income of the borrower or to serve as a means of meeting emergencies for which ready cash is lacking. If used in excessive amounts, however, credit encourages undue expansion of production, unjustified expenditures for equipment and improvements, and the incurring of risks that may end disastrously.

Though the same general precepts apply to all kinds of credit, there is one respect in which farmers should distinguish between long-term and short-term credit. As the former type of loan extends over a period of years, such loans will cause little trouble if the annual charges for amortization fall

Credit.--13.

well within the farmer's margin of savings during the period. Short-term loans, in contrast, usually come to maturity within a few months and ordinarily cannot be paid from annual net earnings or savings. Short-term production loans should be regarded as items of current expense on which payment is deferred for a short period, and farmers should try to make certain that their gross income will cover these loans, as well as other expense items, by the time they mature. Failure to make this distinction has caused many farmers to incur excessive short-term debts that could not be liquidated when payment was demanded except by sacrificing livestock or equipment badly needed in their farming operations. Though such experiences often have resulted mainly from the use of too much credit, the principal difficulty in other cases has been that short-term credit was used for purposes that could be served safely only by long-term credit.



Preliminary Bureau Draft
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THE OUTLOOK FOR POULTRY AND EGGS FOR 1938

The feed-egg price situation is expected to improve from the producers' viewpoint, and by early 1938 to be much more favorable than a year earlier.

The spring hatch in 1938 is therefore expected to be greater than the spring hatch in 1937.

Poultry marketings are expected to be less than those of a year earlier from July 1937 to June 1938 because of the small 1937 hatch, and to exceed marketings in the remainder of 1938 because of the larger 1938 hatch.

Poultry consumption is therefore expected to be under that of a year previous in the period July 1937 to June 1938 and to be above for the remainder of 1938.

Fall and winter broiler production, 1937-38 is expected to be heavy but prices are not expected to be correspondingly depressed in view of the smaller supplies of other meats.

Poultry storage stocks, first half of 1938 are expected to be above average because of the heavy summer carry-over in 1937 but much below 1937 because of the lower marketings.

Turkey production in 1937 is expected to be about 10 percent less than the record crop of 1936.

The turkey hatch in 1938 is expected to be greater than the hatch in 1937 because of a better feed situation.

Turkey prices in the fall of 1937 are expected to be above those of 1936 and possibly above 1935 and to decline in the fall of 1938 with the prospective larger crop.

Chicken prices, because of the above prospective conditions, are expected to advance in the period July-December 1937 and although expected to be above 1937 during the first half of 1938, they will probably be under during the last half.

Laying-flock size is expected to reach a cyclical low point early in 1938.

The rate of egg production per hen in 1938 is expected to be under that of 1937.

Egg marketings in 1938 are therefore expected to be less than in 1937.

Egg storage stocks, last half of 1938, are expected to be much less than in 1937, because of smaller marketings.

Egg consumption in 1937 is therefore expected to continue above that in 1936 during the remainder of the year and to decline in 1938.

Egg prices throughout 1938 are expected to be above corresponding periods of 1937 because of this prospective supply situation.

The feed situation

Total production of the four feed grains - corn, oats, barley, and grain sorghum - in 1937 will be the largest since 1932. As the carry-over from 1936 was small the total supply will not be so large as the production estimates would indicate. Wheat production was also large and the supply available for poultry feeding will be larger than during recent years. With other livestock numbers very low, the supply of grain per grain-consuming animal, with few exceptions, will be larger than in any of the last 15 years. Supplies per animal will be unusually large in some of the Corn Belt States where livestock numbers were greatly reduced.

The relationship of feed prices to egg prices is important to the poultryman in at least two respects: (1) in the fall it influences the number of pullets saved for the laying flock, and (2) in the spring it influences the size of the hatch. Throughout the year it may influence the rate of production of eggs. During most of 1937 about 50 percent more eggs than average were required to buy 100 pounds of feed. In September the feed-egg ratio was only 30 percent above the 1925-34 average and was below 1936. During the first half of 1938 the feed-egg ratio is expected to be much lower than in the same months of 1937 and may go below

Poultry and Eggs - 3

the 1925-34 average. In other words, the feed situation next spring will be much more favorable than in 1937.

The feed-egg ratio at Chicago, by selected weeks
(Dozens of eggs required to buy 100 pounds of poultry ration)

Year	Week ended as of 1937											
	: Jan. :	Feb. :	Mar. :	Apr. :	May :	June :	July :	Aug. :	Sept. :	Oct. :	Nov. :	Dec. :
	: 9 :	6 :	6 :	3 :	1 :	5 :	3 :	7 :	4 :	2 :	6 :	4 :
	: Doz. :	Doz. :	Doz. :	Doz. :	Doz. :	Doz. :	Doz. :	Doz. :	Doz. :	Doz. :	Doz. :	Doz. :
Average	:	:	:	:	:	:	:	:	:	:	:	:
1925-34	:4.06	5.08	6.20	6.23	6.43	6.98	6.71	6.38	5.68	5.02	3.97	3.64
1936	:5.22	4.70	5.11	6.48	6.01	5.60	6.32	7.71	7.99	7.37	5.85	5.92
1937	:7.76	9.16	9.17	9.72	10.80	11.23	10.18	8.90	8.17	7.08		

Spring hatchings

Because of this lower feed-egg ratio expected for early 1938, an increase in the hatch over 1937 is likely. That laying flocks are likely to be the lowest of record, since 1925, will also be important in increasing hatchings.

Chicks and young chickens in farm flocks June 1, and salable chicks
hatched in commercial hatcheries, 1929 - 1937
(1934 = 100)

Item	: 1929 :	1930 :	1931 :	1932 :	1933 :	1934 :	1935 :	1936 :	1937
	: Pct. :	Pct. :	Pct. :	Pct. :	Pct. :	Pct. :	Pct. :	Pct. :	Pct. :
Young chickens	:	:	:	:	:	:	:	:	:
on farms	.....:111.2	117.1	102.3	105.0	111.5	100.0	99.4	110.9	94.7
Commercial hatch:	118.5	142.8	104.8	108.2	117.0	100.0	124.7	156.1	127.2

Poultry marketings

Receipts of dressed poultry at the four markets (New York, Chicago, Boston, and Philadelphia), were larger in the first half of 1937 than a year before. This is partly due to a larger out-of-storage movement than in 1936 and partly due to a greater reduction in flock size than in 1936. Because of the small flocks now, and the light hatch, receipts from the middle of 1937 to the middle of 1938 are likely to be less than in the corresponding periods a year earlier. Because of the prospective heavier hatch in 1938, receipts during the last half of that year are likely to exceed those of 1937.

Fall and winter broilers

Because of the small marketings of farm broilers in 1937 and the less-than-average seasonal increase in broiler storage stocks, the prices of fall and winter broilers are expected to remain high, relative to the same months of recent years. Although production of fall and winter broilers may be the largest of record, the price-depressing effect of this is likely to be offset to a great extent by the effect of small supplies of meat. The same assurance with regard to heavy broiler production in the fall and winter of 1938-39 cannot be given, in view of the expected increase in the 1938 hatch.

Poultry storage

Stocks of frozen poultry in storage when the peak is reached in early 1938 are expected to be much less than in 1937 but above the 1925-34 average. The increase in stocks from September 1 to February 1, is not likely to be so great as average because of reduced receipts during this period. On the other hand, September 1 stocks are 20 million pounds above average because of a heavy carry-over from the 1936-37 storage season. Some of this carry-over stock is reported to be of inferior quality and so far has not had a great competitive effect on farm poultry prices.

U. S. Storage stocks of frozen poultry

Year	: September 1	:Into storage : :Sept.1-Feb.1	: February 1
	: <u>Million pounds</u>	<u>Million pounds</u>	<u>Million pounds</u>
Average	:		
1925-26)	:		
1934-35)	:	42,584	75,004
	:		117,588
1936-37	:	65,488	112,816
1937-38	:	63,769	178,304

Poultry consumption

Consumption of poultry in the first half of 1937 was greater than in the first half of 1936. This is indicated by (1) the exceptionally large out-of-storage movement in this period, and by (2) a greater reduction in laying flocks from January 1 to July 1 than was the case in 1936. The increase in poultry canning was not

enough to offset these two indications.

Consumption of poultry during the last half of 1937 will very likely be less than in the same period of 1936, largely because of smaller marketings. With storage stocks on January 1, 1938 expected to be much less than a year earlier, consumption in the first half of 1938 will probably continue low. Consumption in the last half of 1938, however, may be greater than a year earlier.

Turkey production and price

Turkey production in 1937, as indicated by the number of turkeys on hand on September 1, is expected to be about 10 percent less than the record crop of 1936. Many small producers and some large ones have discontinued production entirely but large increases have been made by commercial producers in some States. Much of the variation in numbers on hand in different parts of the country reflects the feed situation in those regions, some of the biggest reductions being in drought areas.

Reduction from 1936 in turkeys on hand September 1

Division	:Reduction :from 1936	:	Division	:Reduction from : 1936
	<u>Percent</u>	:		<u>Percent</u>
New England	0	:	East South Central	6
Middle Atlantic	1	:	Pacific Coast	6
South Atlantic	1	:	West North Central	18
West South Central	2	:	Mountain	23
East North Central	4	:		<u>9.5</u>

As the cost of feed with which the 1937 turkey crop will be finished for market will be lower than in 1936 and as the price received for the turkeys will in most instances be higher, the production of turkeys for sale in the fall of 1938 is expected to be increased.

Although the smaller crop in 1937 will tend to raise turkey prices in the fall and early winter of 1937 above those of 1936 and possibly above those of 1935, the larger hatch likely next year will probably bring turkey prices in the fall of 1938 below those of 1937. A small increase in consumer incomes would tend to offset this decline to some extent.

U. S. farm price of turkeys per pound

Year	October	November	December	January
	Cents	Cents	Cents	Cents
Average :				
1925-34 :	20.8	22.5	22.8	22.2
1935-36 :	15.9	19.9	21.3	19.9
1936-37 :	15.9	15.0	14.3	14.1
1937-38 :				

Chicken prices

With fewer poultry, both turkeys and chickens, to be marketed in the last half of 1937 than a year earlier, chicken prices in that period are expected to exceed those of the same months of 1936 and possibly to be above the 1925-34 average. In most years chicken prices decline in the last half of the year. The seasonal decline in 1937 has been replaced by an advance.

Farm price of chickens per pound

Year	Jan.	Mar.	May	July	Sept.	Nov.
	Cents	Cents	Cents	Cents	Cents	Cents
Average :						
1925-34 :	16.8	17.5	18.3	17.8	17.3	16.2
1935 :	12.4	14.2	15.7	14.0	15.4	15.9
1936 :	16.5	16.6	16.6	16.1	14.9	13.2
1937 :	13.4	14.4	14.8	15.3	17.4	

Although poultry storage stocks in the first half of 1938 will probably be less than in the first half of 1937, the effect of this on chicken prices in this period may be offset somewhat by a possible small decline in consumer income. Though chicken prices in this period are expected to be greatly above those of 1937, they are not likely to exceed the 1925-34 average.

In the last half of 1938 the depressing effect on chicken prices of the prospective increase in hatchings may be partly offset by possible advances in consumer income. Chicken prices then are expected to be somewhat below those of the last half of 1937. There is no basis now for anticipating a seasonal decline in this period greatly different from average.

Laying-flock size

The number of hens and pullets of laying age per farm flock ordinarily decreases by about 25 percent from January 1 to September 1. In 1937, this decline was 29 percent, bringing laying-flock size down to the level of 1936, while in January it had been 4 percent greater.

Hens and pullets in farm flocks on the 1st day of month

Year	Jan.	Mar.	May	June	Aug.	Sept.	Oct.	Dec.
	Numbers	Numbers	Numbers	Numbers	Numbers	Numbers	Numbers	Numbers
Average:								
1925-34:	87.5	84.7	77.4	73.4	66.8	66.1	70.4	81.9
:								
1935 :	78.3	75.8	69.1	65.1	59.2	58.5	65.1	76.6
1936 :	80.6	76.7	70.5	66.5	60.0	59.9	66.9	79.1
1937 :	84.2	80.0	73.1	68.5	62.1	59.9		

The size of the laying flock on January 1 is largely influenced by the number of young chickens on hand 6 months earlier and by the feed-egg-ratio in the last half of the year. The effect of the 19-percent reduction from 1936 in young chickens, making fewer pullets available to add to the laying flock, will be only slightly offset by a somewhat more favorable (lower) feed-egg-ratio than in 1936, so that the laying flock on January 1, 1938 is expected to be much smaller than in 1936 and probably smaller than in 1935.

With a more favorable feed situation in 1938 than 1937, it is expected that the laying flock will be built up by less rigorous culling and by heavier hatching. Laying-flock size in the past has fluctuated quite regularly in 3-year cycles, the last low point being in the winter of 1934-35. It seems likely that the winter of 1937-38 will mark another such low point and that by the fall of 1938 laying flocks will be larger than in the fall of 1937.

Rate of egg production

Favorable weather in most of the heavy production season, more rigid culling than usual, and a laying flock with a high proportion of pullets resulted in an exceptionally large number of eggs laid per hen in the period January 1 to September 1.

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1937. In 1938, with culling probably less rigid and with a smaller proportion of pullets than in 1937 the rate of production is likely to be lower than in 1937.

Eggs laid per 100 hens and pullets of laying age in farm flocks

Year	: Jan.	: Mar.	: May	: July	: Sept.	: Total : Jan.-Sept.:	: Oct.	: Dec.
	: <u>Number</u>	<u>Number</u>	<u>Number</u>	<u>Number</u>	<u>Number</u>	<u>Number</u>	<u>Number</u>	<u>Number</u>
Average :								
1925-34 :	16.5	38.4	55.1	42.2	32.4	347.8	25.0	13.9
1936 :	19.1	32.6	56.5	44.2	31.4	349.5	25.1	16.0
1937 :	22.0	39.2	57.8	44.4	36.1	370.9		

Egg marketings

Larger flocks and an increased rate of production made marketings in the first 8 months of 1937 slightly larger than in 1936. During the remainder of 1937 marketings from fresh-egg production are likely to be less than in 1936 because of smaller flocks and lower prices. Egg receipts at the four markets (New York, Chicago, Philadelphia, and Boston) however, may equal that of a year ago because of the large stocks in cold storage. Following the movement of these stocks into consumption, after mid-winter of 1938 marketings will reflect current production and are likely to be much lower than in 1937 until the fall of 1938.

Egg storage

The midsummer peak in cold-storage stocks of shell and frozen eggs in 1937 was about 25 percent above that of 1936 and was only exceeded in 1930. These large stocks were largely a result of an increased supply of eggs and a somewhat stronger incentive to store than existed in 1936. These influences are likely to be reversed in 1938, production probably being lower than in 1937 and the storage incentive likely to be weakened by a less profitable storage season than 1935-36. Hence, storage stocks in 1938 are expected to be much less than in 1937.

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Shell and frozen eggs in cold storage on the 1st day of the month
Converted to shell-egg equivalent 1/

Year	Jan.	Mar.	May	Aug.	Sept.	Oct.	Dec.
	1,000	1,000	1,000	1,000	1,000	1,000	1,000
	<u>cases</u>	<u>cases</u>	<u>cases</u>	<u>cases</u>	<u>cases</u>	<u>cases</u>	<u>cases</u>
Average							
1925-34	2,608	1,235	6,245	12,163	11,508	9,992	4,844
1936	2,951	1,338	5,015	10,635	10,109	8,579	3,650
1937	2,132	1,305	6,925	13,486	12,967		

1/ Cases of 30 dozen eggs.

Egg consumption

The supply of eggs available for consumption was greater during the first 8 months of 1937 than for the corresponding period in 1936, production probably exceeding that of the same period in 1936 by about 7 million cases. The stock of shell and frozen eggs in cold storage on August 1, 1937 exceeded that in 1936 by about 3 million cases. Part of this increase in eggs for storage was offset, however, by smaller hatching requirements than in 1936. On the whole, therefore, consumption exceeded that of 1936 probably in almost every month of the period.

During the remainder of 1937 smaller production than in 1936 will be more than offset by the larger storage stocks so that consumption is expected to continue above last year, well into the winter. Lower consumption seems likely in 1938 than in 1937 because of smaller prospective production.

Egg prices

The large storage stocks have tended to keep egg prices in the fall of 1937 below those of the same months of 1936. The seasonal peak in November or December is not likely to be as high as a year earlier.

To the extent that conditions in the winter of 1937-38 are normally rigorous, the smaller production of eggs is expected to keep prices then above those of 1936-37. Abnormal weather, either mild or severe, will probably cause sharp temporary fluctuations. A large storage carry-over on January 1 will probably depress egg prices to the 1937 level, while an average carry-over would tend to keep prices

well above 1937.

Farm price of eggs per dozen

Year	Jan.	Mar.	May	July	Sept.	Nov.
	Cents	Cents	Cents	Cents	Cents	Cents
Average						
1925-34	31.0	19.3	18.7	20.0	25.7	35.4
1935	25.0	18.6	21.4	21.7	26.4	30.1
1936	22.8	17.5	18.1	20.0	24.5	32.5
1937	23.1	19.9	17.9	19.4	22.9	

Although the slight decline anticipated in consumers' income in the spring of 1938 will offset to some extent the effect of lower production, egg prices then are expected to be above those of the spring of 1937. With smaller storage stocks in prospect by August 1, 1938, than a year earlier and with some advance in consumers' income possible, egg prices in the fall of 1938 are expected to increase even more over 1937 prices and probably to be higher than in 1936.

Shifting areas of production

That the center of egg production has shifted eastward from 1930 to 1935 is indicated by census data and by declining shipments of eggs from western and mid-western areas to eastern markets, especially New York City. At the same time shipments from the North Atlantic States have increased. This shift, somewhat in evidence before 1929, was largely caused by the depression and has been partly maintained by drought.

Early in the depression, with feed prices falling more rapidly than egg and poultry prices, production was stimulated especially in those areas growing feed grains in excess of local needs. As transportation costs failed to drop as much as market egg prices, farm egg prices dropped disproportionately more in areas more distant from market than in nearby areas. A low price level accentuated the effect of this decline. Production in the Mississippi Valley and in the West was discouraged as compared with that in nearby areas having motor transportation and a higher price level.

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Since the depression low in 1933, production in the West and Midwest has twice been checked by drought with attendant high feed costs that were less severe in the East because of feed imports. The Western States in the 1935-36 season, with no drought effect, increased their eastern shipments materially. Lower feed costs in the future are likely to encourage production in the Western and Midwestern areas. Higher feed costs are likely to discourage it.

That poultry equipment may be idle in one region while it is being increased in another is only one of the consequences of this shift. The seasonal variation of egg and poultry production has also been modified since in the North Atlantic area there is less seasonal change in climate than in the Midwest. As a result, a larger proportion of total egg production is laid in the winter months and the seasonal variation in egg prices has also been modified, the rise from spring to fall being smaller both actually and proportionally than before 1930.

Storage losses often result from such less-than-average seasonal price advances. It is likely that a decrease in the total demand for eggs for storage will result from a continuation of these diminishing seasonal price rises.

Cold storage of frozen eggs

The proportion of the total egg holdings that is stored in frozen form has been steadily increasing. Though less than 3 percent of the total stock was frozen in 1916, more than one-third of a much larger stock was frozen in 1936.

Storage stocks, shell and frozen eggs - August 1 holdings

Years	1916-20	1921-25	1926-30	1931-35	1936	1937
	1,000	1,000	1,000	1,000	1,000	1,000
	<u>cases</u>	<u>cases</u>	<u>cases</u>	<u>cases</u>	<u>cases</u>	<u>cases</u>
5-year average:						
Shell eggs ...:	6,849	9,513	10,249	8,470	7,335	8,718
Frozen eggs ...:	432	972	2,415	3,196	3,300	4,768
Total	7,281	10,485	12,664	11,666	10,635	13,486
Frozen percent:						
of total ...:	5.9	9.3	19.1	27.4	31.0	35.4

Although shell eggs in storage must ordinarily be disposed of by the following spring, frozen eggs may be kept a longer time. If this trend continues, as seems likely, it must sooner or later bring about a reduction in the seasonal movement of egg prices which is likely to decrease the demand for eggs from storage in the shell.

Quality-egg marketing programs

In some areas marketing programs that recognize egg quality have made considerable progress under Federal-State quality certification. In other areas quality programs are operating under State supervision alone. The most satisfactory of these programs, from the producers' point of view, are those in which producers of better-than-average quality have the cooperation of retailers in establishing a consumer demand for the product. Further development of such programs may be expected to benefit producers who are in a position to take advantage of them since they offer more direct outlets and for some qualities of eggs, higher prices.

The marketing of poultry and eggs at auction by producers located close to large markets has grown rapidly in the northeast and as far west as Ohio. The buyers at these auctions are mostly hucksters, retailers, wholesale dealers, chain stores, and some producers. The services of the auction are classification, grading, inspection, and selling. The auctions have provided a more satisfactory method of sale for some producers.

New developments in poultry marketing

The marketing of full-drawn poultry is increasing and with it the cutting up of carcasses and the marketing of poultry parts. This innovation has been advocated as a service to consumers, full-drawn poultry possibly being more palatable, and poultry parts more suited to consumers who do not require a whole chicken. Breaking up the retail package into smaller parts may make the average consumer's purchase smaller but in the long run it is probable that this consumer service will increase demand by reaching more consumers, both in the small-family and lower-income groups.

Feed-grain price stabilization

The important effect which the feed-egg ratio has on production indicates that any activity that would limit the year-to-year fluctuation in feed prices would also reduce the year-to-year change in poultry and egg production. Several proposals for agricultural legislation that might affect feed supplies and prices have been proposed in Congress. One of these is the proposal for an "Ever-normal granary, warehouse or reserve supply". This proposal includes, among others, a plan to maintain a surplus of some feed grains, in addition to the normal supply, which will be sufficient to meet domestic consumption and export demand in years of drought, flood, or other adverse conditions. Any practicable plan which would achieve greater stability in feed-grain prices, which are an important cost factor, should benefit poultrymen, especially those who operate continuously year after year.

Foreign trade

The disturbed situation in China will doubtless reduce egg exports from that country both to the United States and to Europe. Hence an increase in domestic egg-breaking and egg-drying is probable. This increase, however, is not expected to be great enough to affect materially the farm price of eggs.

Eggs: Imports for consumption, and domestic exports

Item	:1927-31 : :average :	1932 :	1933 :	1934 :	1935 :	1936 :	1937 : :Jan-Aug.
	: Million : dozen	Million dozen	Million dozen	Million dozen	Million dozen	Million dozen	Million dozen
Imports....:	40	10	9	8	22	27	22
Exports....:	18	2	2	2	2	2	1

Shell-egg equivalent.

The table shows imports and exports of eggs during a period when domestic production of eggs averaged at least 2,500 million dozens.

Chick sexing

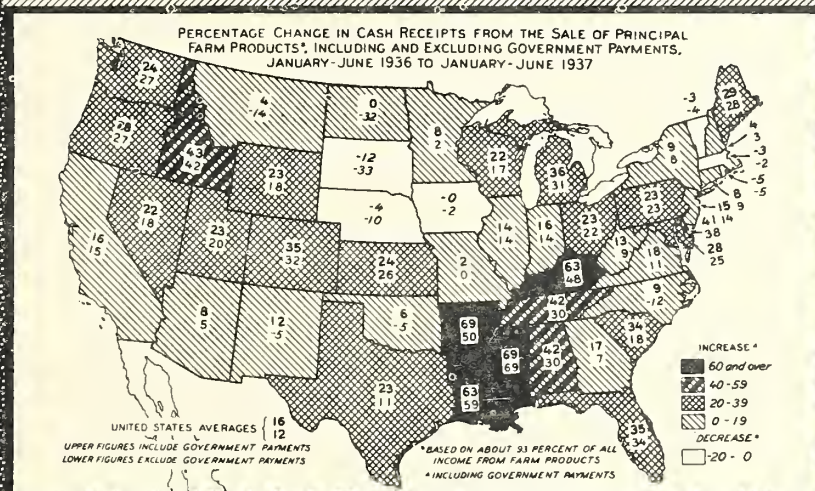
The practice of sexing day-old chicks has developed in the last few years, especially in the Pacific Coast States where the leghorn breed predominates and the demand for pullet chicks of this breed greatly exceeds the demand for cockerels. Some of the cockerel chicks are brooded and sold as broilers but large numbers of them are destroyed. In the midwestern or eastern States a much smaller proportion of the chick output is sexed. Should the practice of sexing day-old chicks become more general, especially in the midwestern or eastern States, it might have an important effect on the amount of poultry marketed. In years when the outlook for poultry prices was not such as to justify the cost of feeding the cockerels, considerable numbers of them might be destroyed.

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FARM FAMILY LIVING, 1938

AGRICULTURAL OUTLOOK CHARTS



U. S. DEPARTMENT
OF AGRICULTURE
BUREAU OF AGRICULTURAL ECONOMICS
BUREAU OF HOME ECONOMICS
WASHINGTON, D. C.

OCTOBER 1937

OUTLOOK CHART SERIES

1938

The charts in this book have been selected by the Outlook Committees as those best adapted for presenting graphically the economic background for the respective commodities. Though the charts are as up-to-date as available data will permit, mimeographed data sheets will be mailed early in November for bringing to date, as of November 1, those charts and tables having monthly data. Many other charts which are useful in special cases but are not included in this booklet can be supplied upon request.*

OUTLOOK CHART BOOKS FOR 1938

Beef Cattle	Demand, Credit and Prices
Cotton	Farm Family Living
Tobacco	Feed Crops: Corn, Oats, Barley, Hay;
Wheat and Rye	and Total Livestock
Fruits and Nuts	Sheep, Lambs, Wool and Mohair
Hogs	Potatoes and Truck Crops
Poultry and Eggs	Flax, Soybeans, Peanuts, and Cottonseed
Dairy Products	Rice and Dry Beans

Copies of these chart books are sent to Outlook extension workers but are not available for general distribution.

WALL CHARTS - Wall charts, 30 x 40 inches in size, will be made by the Bureau on receipt of order for 10¢ each on blueprint paper, for 20¢ each on black-line paper, and 75¢ each on chart cloth (blue-line). Single bromide enlargements of other charts and maps not included in this booklet will be made for 75¢, or mounted on cloth for \$1.25 each; if 25 copies or more are ordered, however, they will be furnished at the 10 or 20-cent rate, depending upon the paper. Note: The charts shown in this book are the publication type - those which will be supplied on orders have the large lettering suitable for use in extension meetings.

TO ORDER WALL CHARTS

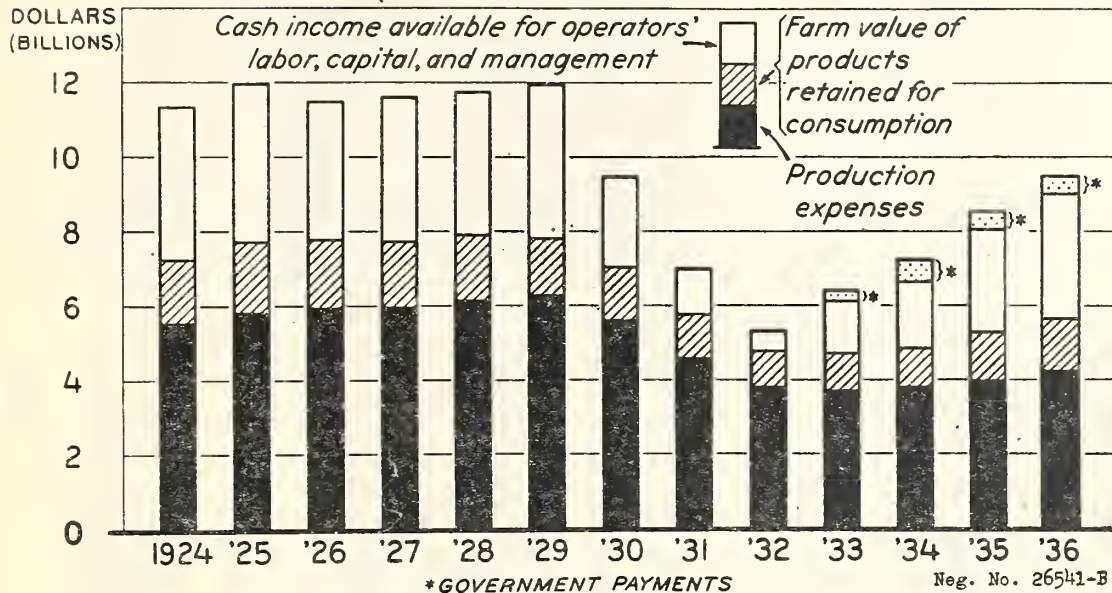
- (1) List number, title, and whether wanted on cloth or paper for each chart desired.
- (2) Give name and address of individual to whom finished charts should be sent.
- (3) Make all remittances payable to the United States Department of Agriculture, and send remittance and order to Division of Economic Information, Bureau of Agricultural Economics, Washington, D. C.

*See "Agricultural Economics Charts," mimeographed, June 1937.

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Distribution of Gross Income from Farm Production, 1924 to Date



The increase in the net income from farming has been greater than the increase in gross income since 1932. During this period there has been only a moderate rise in production expenses; the upward trend of expenditures for commodities used in production has been partially offset by the downward trend in interest and real estate tax charges. Gross income from farm production as shown in the chart includes the value of products consumed on the farm as well as the cash income from products which are sold. The production expenses include cash outlay for the major commodities used currently in production and an allowance for depreciation of the more durable equipment used in farm production, such as machinery and outbuildings. No depreciation is allowed on dwellings and only one-half of the automobile cost is considered an expense of production. A portion of the tax and interest charges are also assigned to dwellings. Thus computed, the white and shaded areas represent the amount of income available to farm operators for their labor, capital, and management after deducting production expenses.

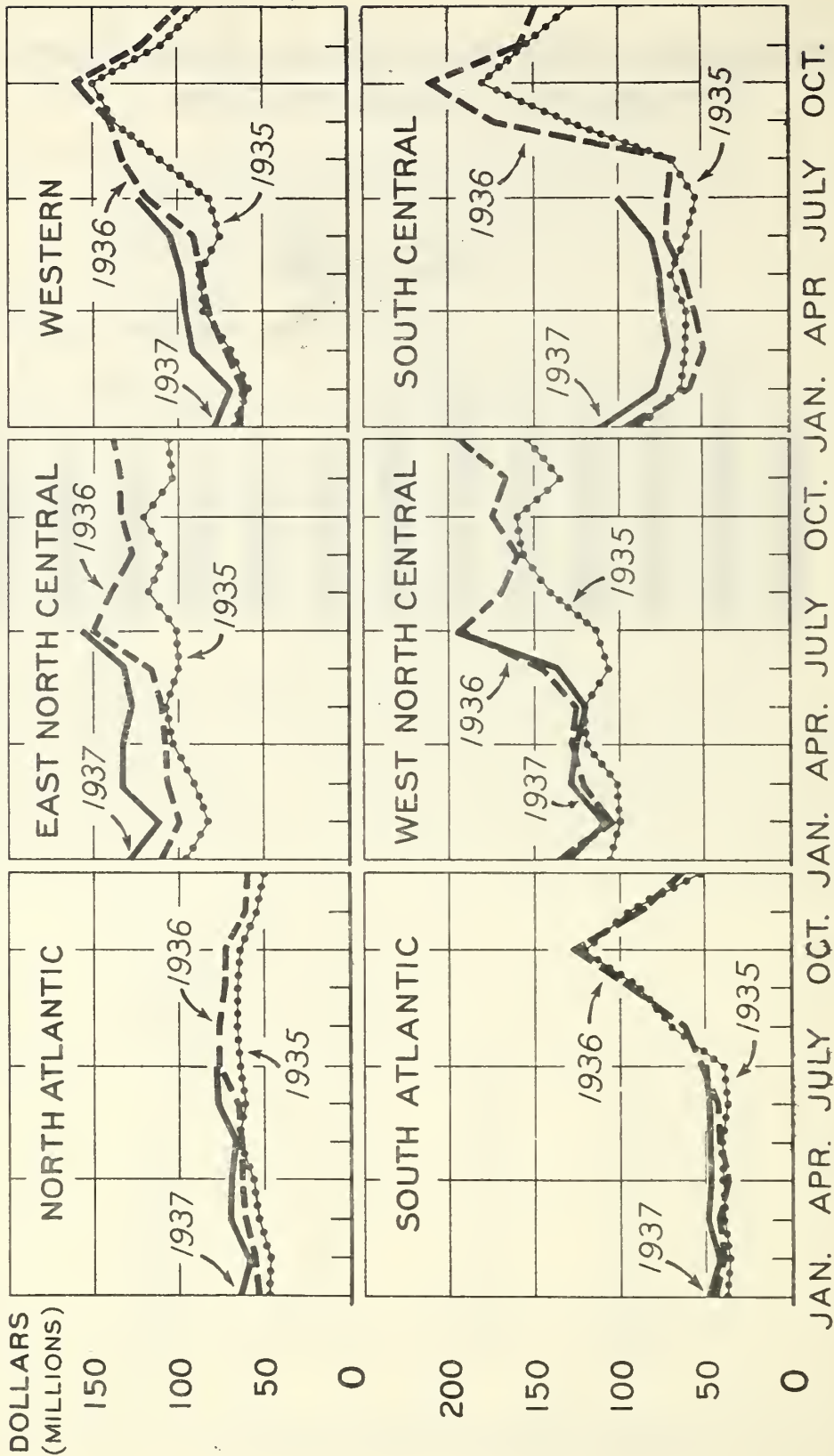
Distribution of gross income from farm production, 1924 to date

Year	Gross income ^{1/}	Production expenses	Farm value of products retained for consumption	Cash income available for operator's labor, capital and management	Rental and benefit payments
	<u>Mil.dols.</u>	<u>Mil.dols.</u>	<u>Mil.dols.</u>	<u>Mil.dols.</u>	<u>Mil.dols.</u>
1924.....	11,337	5,538	1,697	4,102	-
1925.....	11,968	5,834	1,882	4,252	-
1926.....	11,480	5,960	1,822	3,608	-
1927.....	11,616	5,979	1,744	3,893	-
1928.....	11,741	6,145	1,742	3,854	-
1929.....	11,941	6,272	1,524	4,145	-
1930.....	9,454	5,591	1,424	2,439	-
1931.....	6,968	4,575	1,167	1,226	-
1932.....	5,337	3,845	960	532	-
1933.....	6,406	3,723	997	1,686	278
1934.....	7,276	3,809	1,049	2,418	595
1935.....	8,508	3,970	1,307	3,231	498
1936.....	9,530	4,230	1,430	3,870	480
1937.....					
1938.....					
1939.....					

Bureau of Agricultural Economics. Current data for columns 1, 2, 3, and 5, published annually in mimeographed release "Income from farm production in United States."

^{1/} Includes rental and benefit payments.

RECEIPTS FROM THE SALE OF PRINCIPAL FARM PRODUCTS, BY REGIONS, 1935 TO DATE*



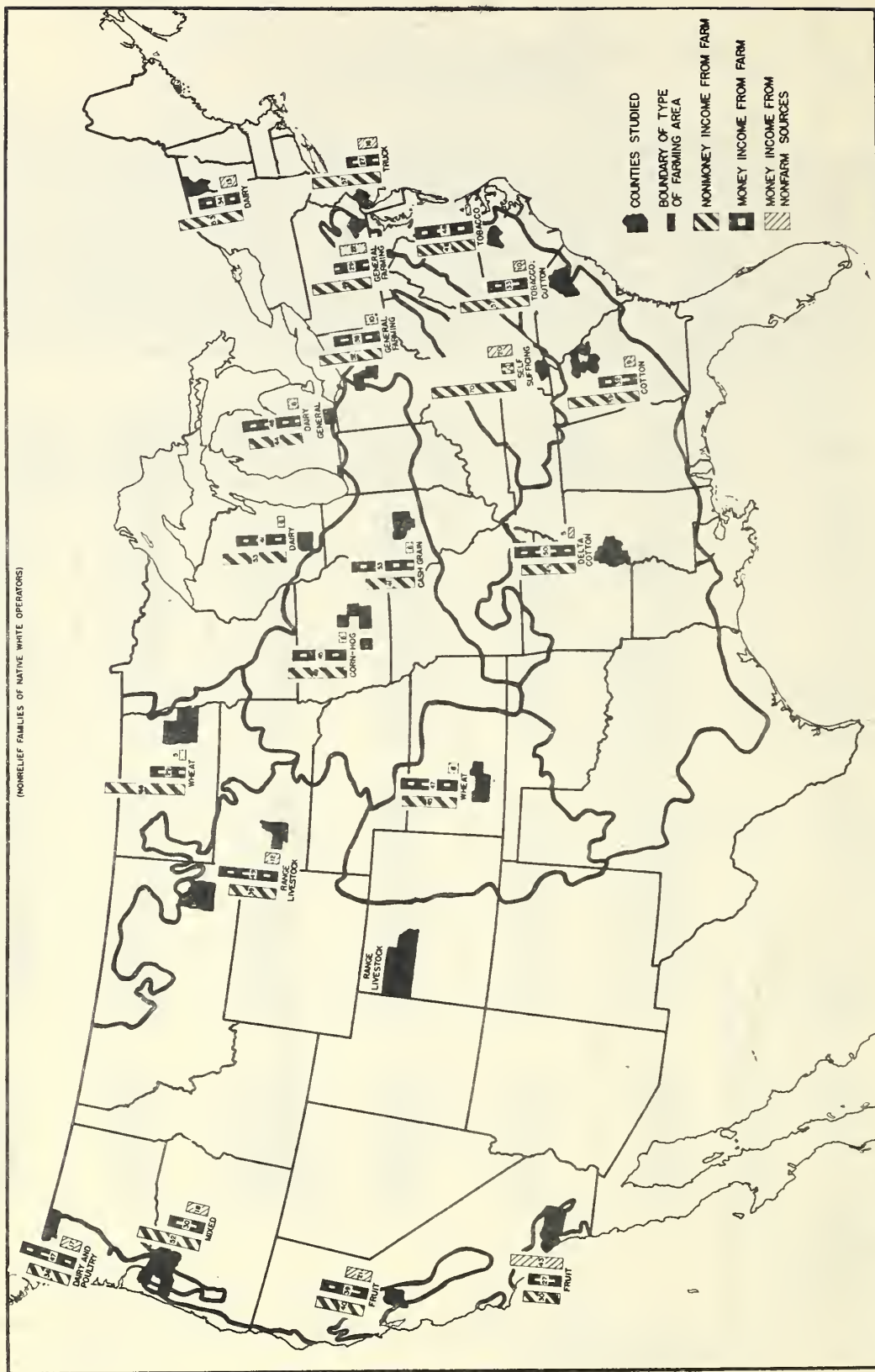
* EXCLUDES GOVERNMENT PAYMENTS TO FARMERS

Cash receipts from sale of principal farm products
by regions, 1935 to date
(excluding government payments)

The monthly estimates of receipts from the sale of principal farm products by regions provide a measure of the change in income from year to year and give an indication of the seasonal trend of farm income in the different geographic regions. In regions where income is primarily from livestock and livestock products (such as the North Atlantic and East North Central regions) there is little variation in income from month to month, slight rises occurring in the summer and fall months when crops move in volume. Where the greatest part of the income is obtained from crops, the seasonal trend in income is very marked (particularly in the South Atlantic and South Central States). In the West North Central States the seasonal trend of income has varied somewhat because of severe droughts in recent years. The estimates of farm receipts are based upon sales of 33 of the more important farm commodities which, for the country as a whole, measure approximately 93 percent of the annual cash income from all farm products.

Year and month	North Atlantic	South Atlantic	East North Central	West North Central	South Central	Western
	<u>Mil.dols.</u>	<u>Mil.dols.</u>	<u>Mil.dols.</u>	<u>Mil.dols.</u>	<u>Mil.dols.</u>	<u>Mil.dols.</u>
1935						
January.....	47.2	37.3	95.0	105.8	86.8	65.4
February.....	46.7	36.0	82.7	99.2	63.0	58.2
March.....	53.0	38.3	91.0	101.0	60.5	68.7
April.....	56.8	39.5	103.4	113.7	59.5	84.4
May.....	65.7	40.7	107.3	120.0	68.8	86.8
June.....	61.6	37.5	99.3	106.6	58.7	75.5
July.....	63.9	39.8	101.0	113.5	53.2	81.6
August.....	65.3	69.4	107.9	141.3	68.4	110.5
September.....	65.1	87.0	107.9	157.0	129.4	136.0
October.....	63.6	120.0	120.2	159.8	181.6	151.6
November.....	54.4	91.0	103.1	134.9	154.1	108.7
December.....	50.4	52.5	105.6	153.0	129.0	88.6
1936						
January.....	52.8	44.7	110.0	133.0	93.0	62.9
February.....	55.0	39.7	98.6	105.7	57.3	61.5
March.....	61.2	40.4	106.8	121.8	49.5	72.0
April.....	62.7	36.3	107.6	127.3	54.0	81.4
May.....	62.2	40.9	109.4	125.1	60.7	85.6
June.....	64.4	42.6	116.5	144.5	72.1	90.1
July.....	75.9	51.7	149.0	193.4	70.6	117.8
August.....	76.6	61.2	139.2	168.9	67.2	132.3
September.....	72.7	92.8	126.9	159.3	173.8	139.6
October.....	72.1	126.1	133.2	174.8	210.9	158.5
November.....	60.7	87.7	133.8	166.9	157.0	120.0
December.....	59.7	63.5	137.6	192.3	148.6	98.1
1937						
January.....	63.1	48.2	128.0	131.6	109.8	78.2
February.....	58.1	42.0	111.5	106.6	77.1	69.1
March.....	69.7	48.4	132.9	125.8	71.5	92.3
April.....	67.8	46.8	133.1	125.1	73.7	95.2
May.....	67.7	47.6	128.8	119.5	76.6	97.6
June.....	77.5	48.3	132.5	137.0	80.1	104.4
July.....	78.2	49.0	157.6	195.9	100.3	124.0
August.....						
September.....						
October.....						
November.....						
December.....						

(NONRELIEF FAMILIES OF NATIVE WHITE OPERATORS)



U. S. DEPARTMENT OF AGRICULTURE

BUREAU OF HOME ECONOMICS
CONSUMER PURCHASES STUDY
PRELIMINARY RELEASES

DIVISION OF FARM FAMILY INCOME BY SOURCE, IN SELECTED LOCALITIES, 1935-36
in Money and Nonmoney Income Class, \$750-999/
(Nonrelief families¹ of native white operators)

The significance to family living of an increase in money income from farming can be fully appraised only in connection with facts regarding money income from nonfarm sources and the nonmoney income from the farm (housing, food, fuel, and other products furnished for family use). As shown in the chart, income "in kind" contributed 40 percent or more of the total income (money and nonmoney) to families with total incomes of \$750-999 (money and nonmoney) in 16 out of the 20 localities studied. In some of these localities money income from farming comprised as much as 90 percent of the money from farm and nonfarm sources, in others as little as 40 percent, or even as 32 in the self-sufficing area.

Selected counties in -	Families studied	Average family size	Average income						Percentage of income from -			
			Money and nonmoney	Farm		Money	Nonfarm	Total	Farm		Nonfarm	
				All	Non-money				All	Non-money	Money	Money
	Number	Persons	Dollars	Dollars	Dollars	Dollars	Dollars	Dollars	Percent	Percent	Percent	Percent
Vermont (2) 3/.....	90	4.0	893	774	470	304	119	423	87	53	34	13
New Jersey (3).....	73	3.3	873	733	493	240	140	380	84	57	27	16
Pennsylvania (1).....	249	4.1	872	677	429	248	195	443	78	49	29	22
Ohio (3).....	155	3.4	884	796	450	336	88	424	90	52	38	10
Illinois (4).....	96	3.4	895	839	365	474	56	530	94	41	53	6
Michigan (1).....	137	3.4	881	811	390	421	70	490	92	44	48	8
Wisconsin (1).....	120	4.4	877	826	467	359	52	410	94	53	41	6
Iowa (5).....	153	3.6	872	819	426	393	54	447	94	49	45	6
North Dakota (4).....	138	4.7	866	823	571	252	43	295	95	66	29	5
Kansas (4).....	98	4.3	869	798	386	412	71	483	92	45	47	8
North Carolina, West (2).....	195	5.4	870	695	612	83	175	258	80	70	10	20
North Carolina, East (2).....	51	4.2	874	835	417	418	39	457	96	48	48	4
South Carolina (6).....	292	5.0	874	791	499	292	83	375	90	57	33	10
Georgia (8).....	155	4.8	881	803	518	285	78	363	91	59	32	9
Mississippi (4).....	86	4.5	878	833	391	442	45	487	95	45	50	5
Montana (1), South Dakota (1), and Colorado (3).....	139	3.8	875	765	338	427	110	537	88	39	49	12
Washington (1).....	121	3.6	881	732	314	417	149	566	83	36	47	17
Oregon (2).....	267	3.6	872	714	457	257	158	415	82	52	30	18
California, Central (1).....	37	3.0	863	679	345	334	184	518	79	40	39	21
California, Southern (2).....	101	3.4	883	503	263	240	380	620	57	30	27	43

1/ This income class was the modal one for the counties selected in the States listed excepting: Southern California where the modal class was \$1,250 - \$1,499; New Jersey, Wisconsin, Vermont, and North Carolina, where the modal class was \$1,000 - \$1,249; and North Dakota and Georgia, where the modal class was \$500 - \$749.

This income class constituted 9 to 24 percent of the sample selected in the several localities.

2/ For description of localities selected and the population groups studied, see page

3/ Figures in Parentheses denote the number of counties studied in each state.

Consumer Purchases Study
Preliminary figures

Bur. Home Econ. U.S.D.A.

Sample selected in a 1935-36 Study of Consumer Purchases to represent
regionalized types of farming in the United States

An extensive study of the 1935-36 farm family incomes and expenditures for living has been made by the Bureau of Home Economics in 66 counties selected to represent specific type-of-farming areas where conditions favored specialization and therefore probably better-than-average farm incomes. Exceptions to this are the self-sufficing and part-time areas where farm incomes probably were below average for the states studied. Families of native white farm operators were studied exclusively except in the Southeast, where Negro as well as white families, and sharecroppers as well as operators were included.

State	Counties 1/	Percentage of families 2/ in random sample	Chief type of farming
Vermont	Chittenden, Franklin.....	50	Dairy
New Jersey	Gloucester, Salem, Camden.....	100	Truck
Pennsylvania	Lancaster.....	25	General
Ohio	Crawford, Knox, Richland.....	25	General
Illinois	De Witt, Logan, Macon, Piatt.....	25	Cash grain
Michigan	Leanssee.....	50	General and dairy
Wisconsin	Dane.....	50	Dairy
Iowa	Madison, Mahaska, Marion, Marshall, Poweshiek.....	25	Corn-hog
North Dakota	Barnes, Cass, Griggs, Steele.....	50	Wheat
Kansas	Edwards, Ford, Gray, Meade.....	50	Wheat
North Carolina	Jackson, Macon.....	50	Self-sufficing
North Carolina	Edgecombe, Nash.....	25	Tobacco
South Carolina	Clarendon, Darlington, Florence, Lee, Marion, Sumter.....	25	Tobacco and cotton
Georgia	Clarke, Elbert, Greene, Jackson, Madison, Morgan, Connee, Wilkes.....	25	
Mississippi	Bolivar, Leflore, Sunflower, Washington.....	25	Cotton
Montana, South Dakota, Colorado	Custer, Montana; Pennington, South Dakota; Eagle, Garfield, Rio Blanco, Colorado.....	100	Cotton
Washington	Whatcom.....	100	Range livestock
Oregon	Marion, Polk.....	100	Dairy and poultry
Oregon	Washington, Clackamas, Multnomah, Marion, Polk.....	100	Mixed
California	San Joaquin.....	25	Part-time
California	Orange, Riverside.....	25	Fruit
		25	Fruit

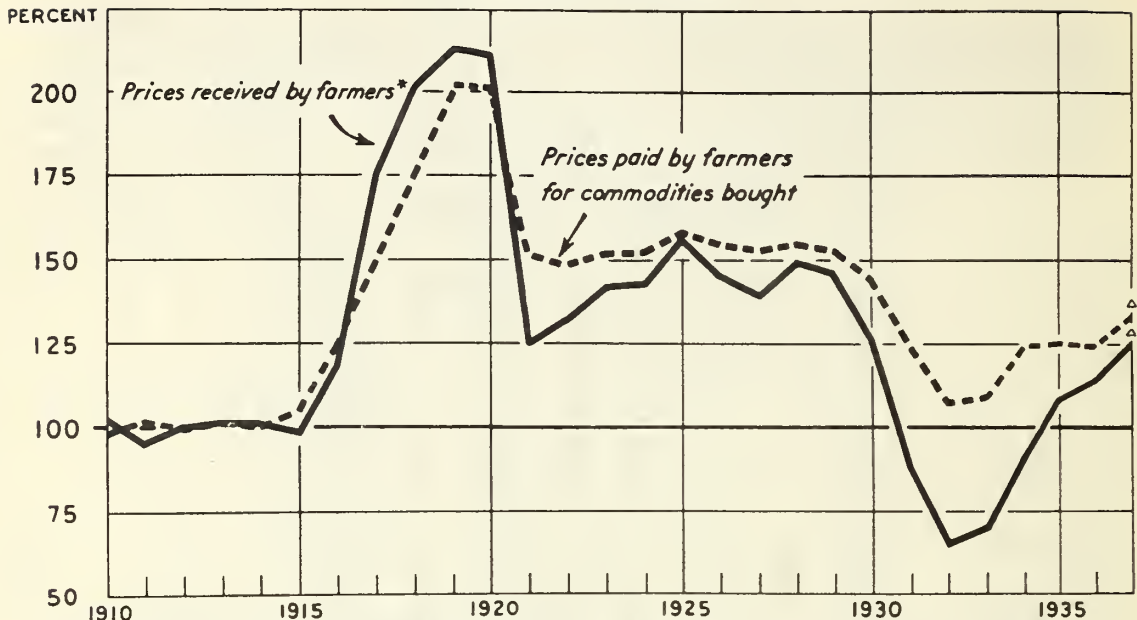
1/ In a few counties certain minor civil divisions were omitted because of topography or population characteristics.

2/ Of the families in the random sample, information on income was obtained only from families that (1) included native born husband and wife, married one year or more; (2) had resided on and operated the same farm for at least one year; (3) were willing and able to give information requested.

Information on expenditures was obtained only from families that met the requirements listed above and, in addition, (1) had not received relief during the year; (2) included 0 to 6 other persons besides the husband and wife; (3) met specifications regarding maximum number of guests, roomers, and boarders in household.

PRICES RECEIVED AND PAID BY FARMERS, 1910 TO DATE

INDEX NUMBERS (1910-14 = 100)



U. S. DEPARTMENT OF AGRICULTURE

* PRICES RECEIVED (AUG. 1909-JULY 1914 = 100)
Δ ESTIMATE

NEG. 18350

BUREAU OF AGRICULTURAL ECONOMICS

During periods of business recession, prices received by farmers decline faster and farther than do prices paid by farmers for commodities purchased. During periods of recovery they rise more rapidly. Lower agricultural production from 1934 to 1936 contributed to the rise in prices of farm products. In relation to pre-war levels, prices received by farmers in January 1937 were higher than prices paid by farmers for the first time since 1925. Larger crops in 1937 have been accompanied by a downward trend in prices and in buying power per unit of farm products, although 1937 prices on the whole have averaged higher than 1936 prices.

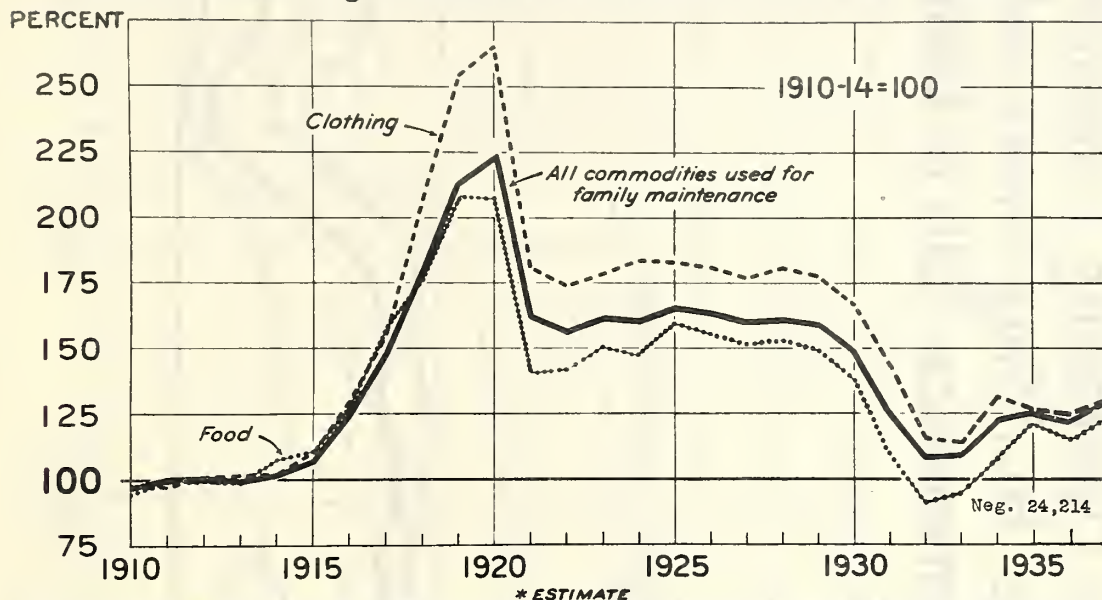
Prices received and paid by farmers, 1910 to date: Index numbers, 1910-14 = 100

Calendar year	Prices		Calendar year	Prices	
	Received ^{1/}	Paid		Received ^{1/}	Paid
1910	102	98	1925	156	157
1911	95	101	1926	145	155
1912	100	100	1927	139	153
1913	101	101	1928	149	155
1914	101	100	1929	146	153
1915	98	105			
1916	118	124	1930	126	145
1917	175	149	1931	87	124
1918	202	176	1932	65	107
1919	213	202	1933	70	109
			1934	90	123
1920	211	201	1935	108	125
1921	125	152	1936	114	124
1922	132	149	1937	^{2/} 125	^{2/} 133
1923	142	152	1938		
1924	143	152	1939		

^{1/} Base period: August 1909 - July 1914 = 100

^{2/} Preliminary

Prices Paid by Farmers for Food, Clothing, and Family Maintenance, 1910 to Date



Prices paid by farmers for food and clothing, two important items of expenditure for farm family living, increased considerably in 1937 owing to an increased demand and low supplies of some food items such as meat, and to higher production costs for clothing.

Prices paid by farmers for food, clothing, and all commodities used for family maintenance, 1910 to date:
Index numbers. 1910 - 14 = 100

Calendar year	Food	Clothing	All commodities used for family maintenance ^{1/}
1910	95	98	98
1911	99	98	100
1912	100	101	101
1913	99	102	100
1914	107	102	102
1915	110	110	107
1916	126	130	124
1917	154	155	147
1918	174	207	177
1919	203	253	210
1920	207	264	222
1921	140	180	161
1922	141	173	156
1923	150	180	160
1924	148	183	150
1925	150	132	164
1926	155	180	162
1927	152	177	150
1928	153	181	160
1929	149	177	153
1930	137	167	148
1931	109	142	126
1932	90	115	108
1933	95	114	109
1934	108	131	122
1935	120	126	124
1936	116	125	122
1937	^{2/} 123	^{2/} 131	^{2/} 129
1938			
1939			

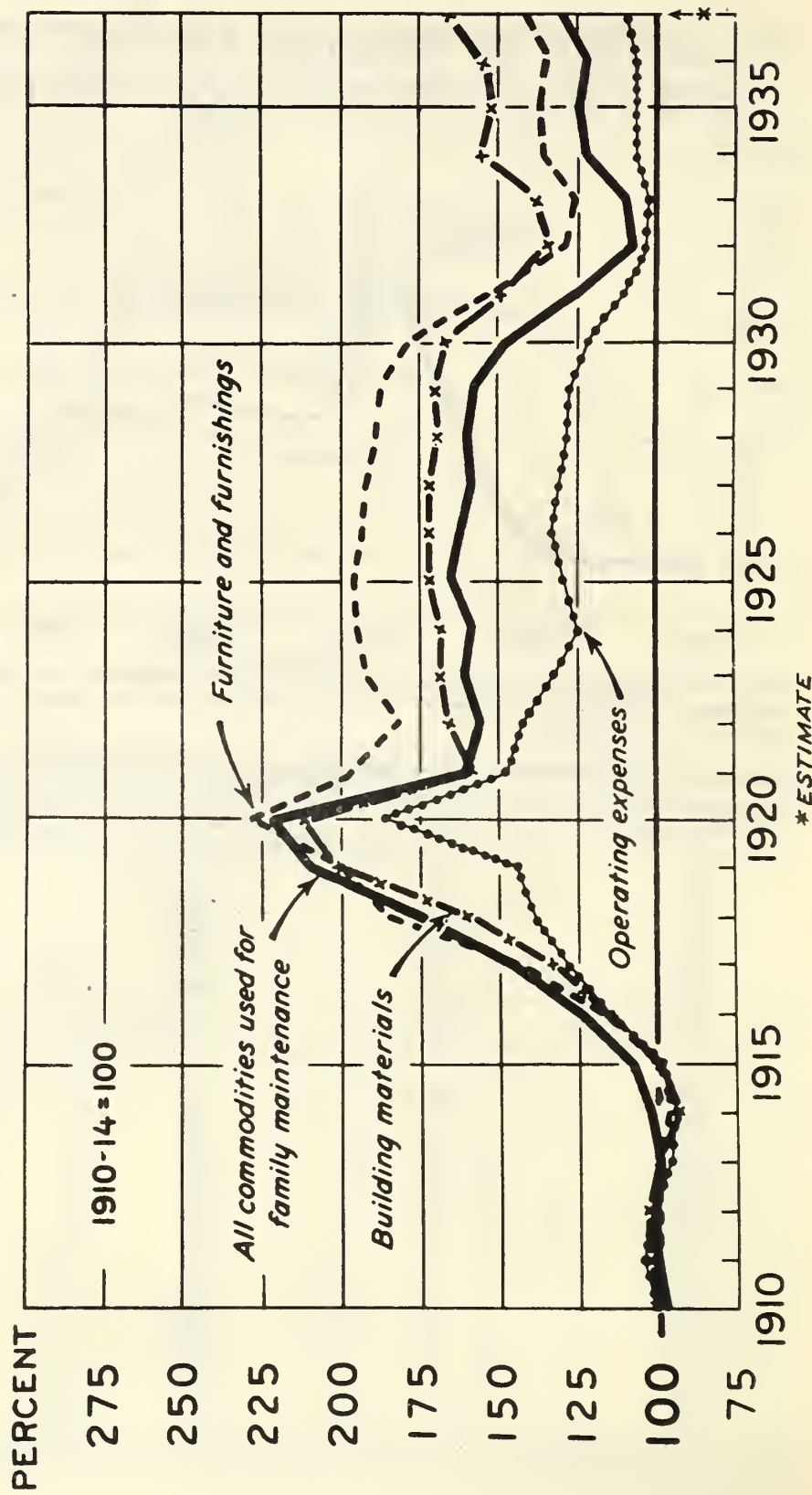
Bureau of Agricultural Economics. Current data published in monthly release of United States Department of

Agriculture on average prices received by farmers for farm products.

^{1/} Automobiles were added in 1917.

^{2/} Preliminary.

Prices Paid by Farmers for Operating Expenses, Furniture and Furnishings, Building Materials for House, and Family Maintenance, 1910 to Date



Index numbers of prices paid by farmers for commodities used
for family maintenance, 1910-1935: 1910-1914 = 100

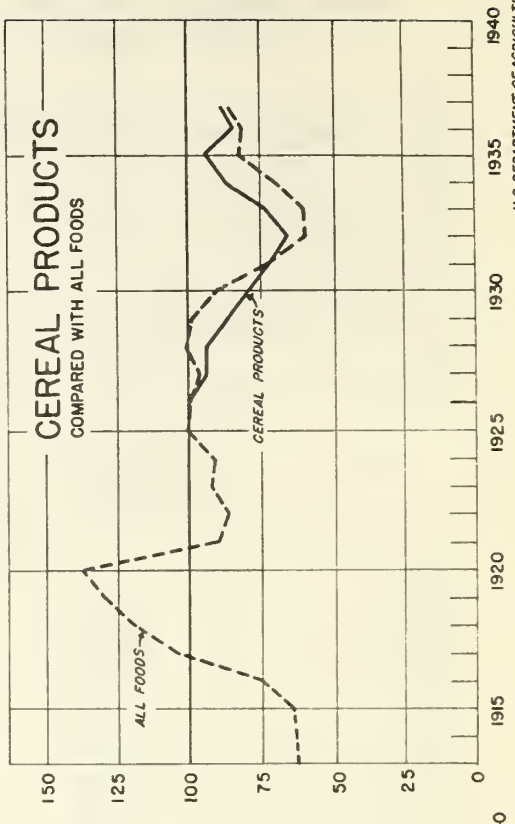
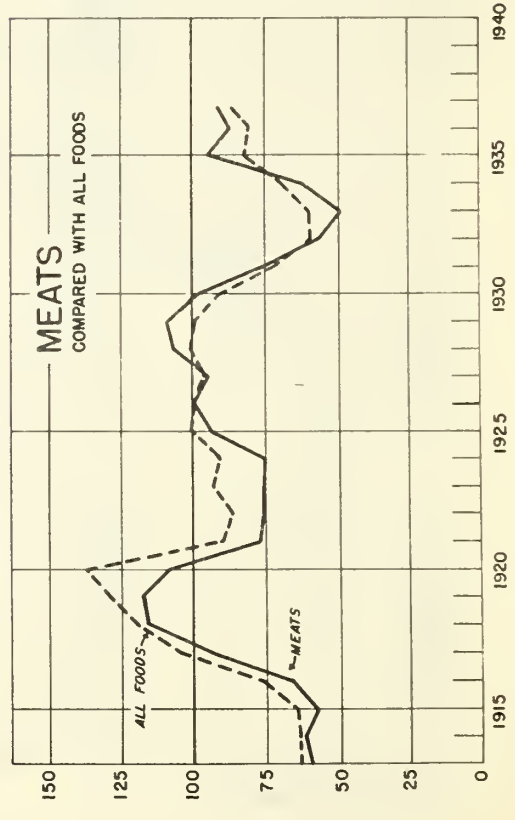
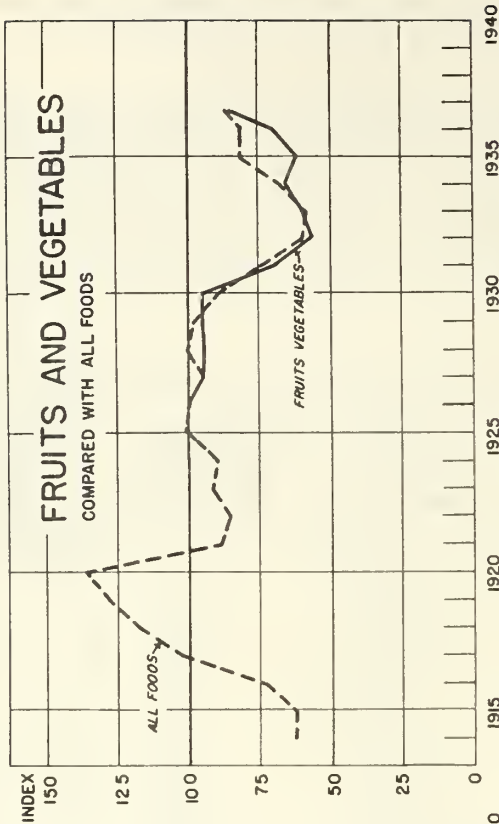
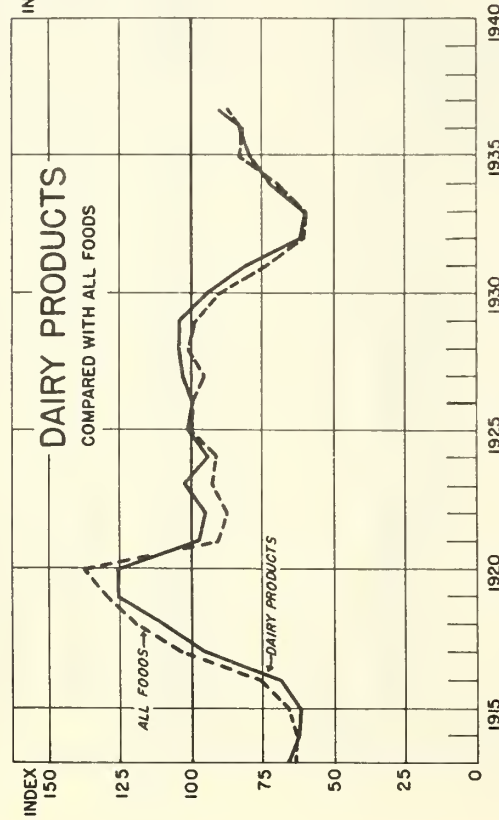
Of items purchased for farm family living, prices of building materials and of furniture and furnishings increased the most in 1937, but these items constitute a relatively small proportion of the farm family budget. Food and clothing, which together comprise approximately half of the money expenditures for family living, advanced somewhat less in price. Operating expenses, which constitute about one-seventh of all purchases for farm family living, showed the smallest price advance in 1937.

Year	Operating expenses	Furniture and furnishings	Building materials for house	All commodities used for family maintenance ^{1/}
1910.....	101	102	101	98
1911.....	105	100	103	100
1912.....	102	100	104	101
1913.....	96	100	100	100
1914.....	95	97	93	102
1915.....	98	100	100	107
1916.....	115	116	114	124
1917.....	128	144	133	147
1918.....	138	185	160	177
1919.....	144	200	201	210
1920.....	186	229	212	222
1921.....	148	198	158	161
1922.....	142	182	165	156
1923.....	132	192	168	160
1924.....	125	196	168	159
1925.....	129	197	172	164
1926.....	133	193	172	162
1927.....	131	192	172	159
1928.....	128	189	169	160
1929.....	127	188	170	158
1930.....	122	179	166	148
1931.....	110	153	149	126
1932.....	103	128	134	108
1933.....	102	126	138	109
1934.....	106	136	155	122
1935.....	106	136	152	124
1936.....	106	134	154	122
1937 ^{1/}	109	142	165	129

^{1/} Preliminary.

FOOD: INDEX NUMBERS OF WHOLESALE PRICES

(1926 = 100)



SOURCE OF DATA U. S. BUREAU OF LABOR STATISTICS

U. S. DEPARTMENT OF AGRICULTURE
BUREAU OF HOME ECONOMICS
NEG. 15

Food: Index numbers of wholesale prices, 1926 = 100

During major price recessions and recovery, prices of dairy products, fruits, vegetables, meats, and cereal products tend to move together. One of the most important factors affecting the prices of food products is the ability of consumers to buy them. The income of consumers declined rapidly during the depression and prices of foods fell to low levels in 1932 and 1933. The recovery in payrolls and farm income since 1933 has been accompanied by an upward trend in food prices. In some instances, changes in supply have been the most important factor affecting prices. Small meat and grain supplies contributed to the recovery in prices of these items. Large supplies of potatoes, apples, peaches, and wheat in 1937 have tended to depress prices of these commodities.

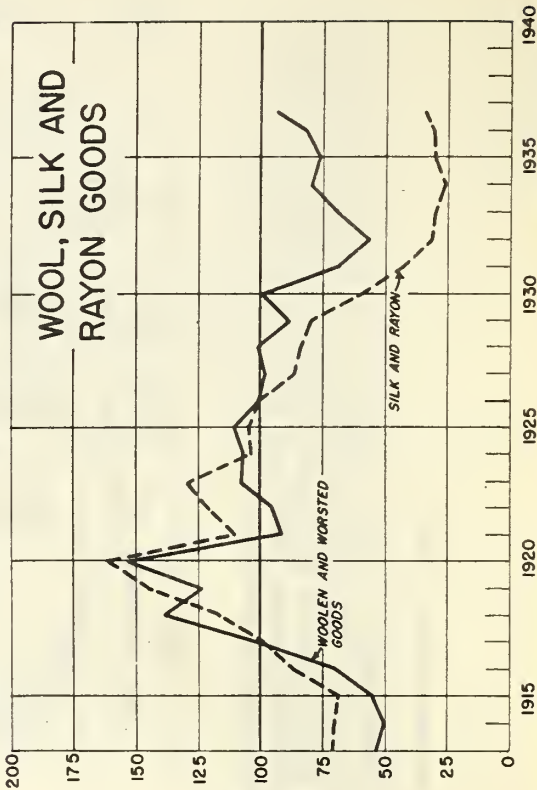
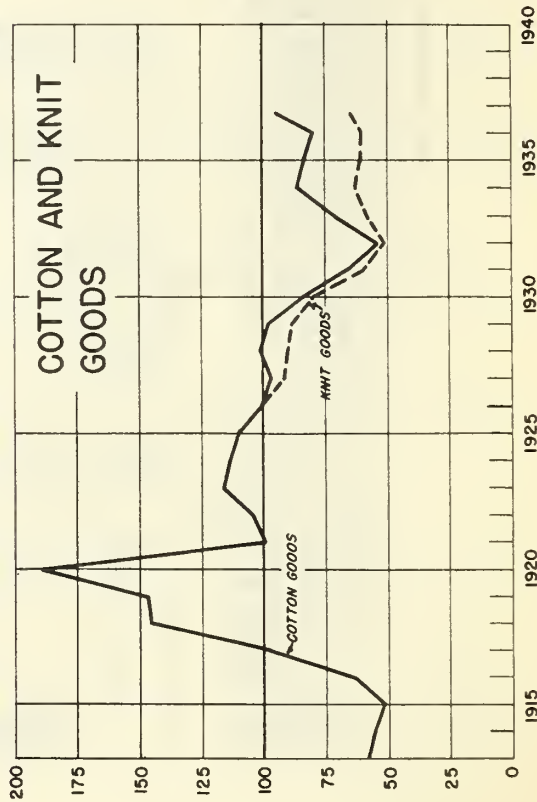
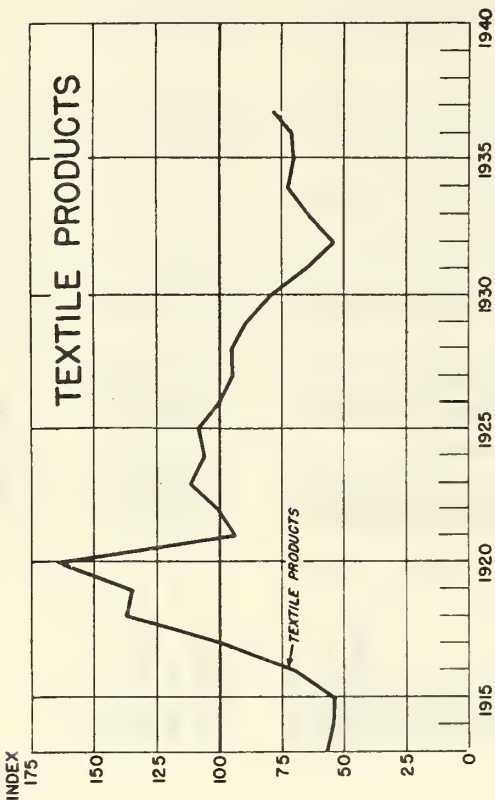
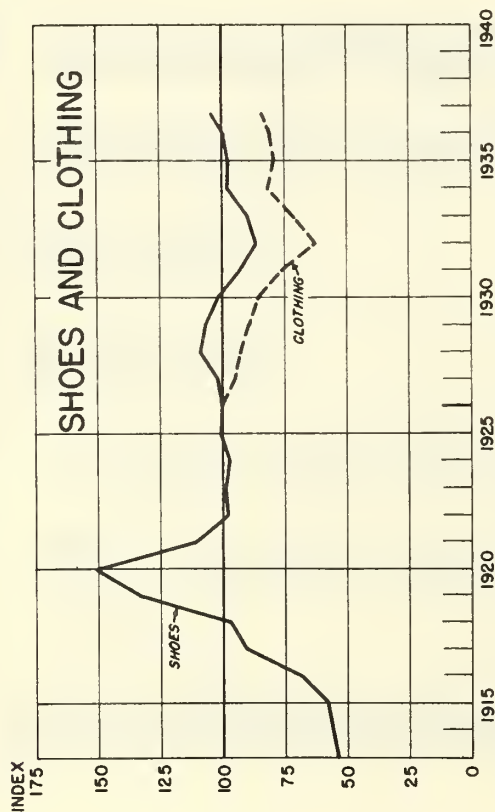
Year	All foods	Dairy products	Cereal products	Fruits and vegetables	Meats	Other foods
1913.....	64.2	65.9	-	-	59.8	65.9
1914.....	64.7	62.9	-	-	62.6	66.0
1915.....	65.4	62.4	-	-	57.6	71.0
1916.....	75.7	69.7	-	-	66.4	83.3
1917.....	104.5	91.5	-	-	92.9	116.1
1918.....	119.1	110.3	-	-	115.2	123.8
1919.....	129.5	125.1	-	-	117.6	138.0
1920.....	137.4	125.2	-	-	108.0	157.9
1921.....	90.6	97.5	-	-	77.4	94.3
1922.....	87.6	91.4	-	-	76.6	93.6
1923.....	92.7	103.4	-	-	76.2	99.6
1924.....	91.0	94.5	-	-	75.7	100.0
1925.....	100.2	101.1	-	-	93.3	104.5
1926.....	100.0	100.0	100.0	100.0	100.0	100.0
1927.....	96.7	103.9	94.4	96.7	92.7	98.0
1928.....	101.0	105.5	93.6	96.5	107.0	97.6
1929.....	99.9	105.6	88.0	97.8	109.1	93.9
1930.....	90.5	95.5	81.5	96.6	98.4	80.9
1931.....	74.6	81.8	73.1	72.4	75.4	69.8
1932.....	61.0	61.3	66.4	58.0	59.2	60.7
1933.....	60.5	60.7	75.0	61.7	50.0	61.1
1934.....	70.5	72.7	88.7	67.5	62.9	66.6
1935.....	83.7	79.8	94.1	63.6	94.5	77.7
1936.....	82.1	83.9	86.2	71.9	87.8	75.9
1937.....						
1935						
January.....	83.5	94.2	92.1	62.2	94.9	75.5
February.....	83.2	85.7	88.5	62.4	92.1	78.1
March.....	80.1	80.3	85.8	65.1	89.7	72.4
April.....	80.2	78.8	84.2	67.8	91.0	72.4
May.....	78.0	75.0	82.2	72.3	85.1	71.5
June.....	79.9	77.6	81.6	82.0	85.1	72.3
July.....	81.4	83.8	84.4	79.7	84.9	73.4
August.....	83.1	87.6	87.5	76.1	86.4	75.6
September.....	83.3	89.5	87.6	71.5	87.3	76.7
October.....	82.6	87.4	87.5	73.8	84.4	77.4
November.....	83.9	88.2	85.9	74.8	85.2	81.4
December.....	85.5	88.9	87.1	75.4	87.2	84.0
1937						
January.....	87.1	88.9	88.1	82.4	90.6	82.1
February.....	87.0	88.7	89.3	87.8	90.3	78.8
March.....	87.5	90.2	90.1	86.5	92.0	78.2
April.....	85.5	78.5	89.8	83.6	94.9	77.0
May.....	84.2	73.1	88.7	84.1	95.9	75.2
June.....	84.7	72.0	90.4	84.5	99.0	74.3
July.....	86.2	76.4	92.3	71.2	106.0	74.6

Source of price data: Bureau of Labor Statistics.

Comments: Bureau of Agricultural Economics.

CLOTHING AND TEXTILES: INDEX NUMBERS OF WHOLESALE PRICES, 1913-1937

(1926 = 100)



SOURCE OF DATA: U. S. BUREAU OF LABOR STATISTICS

U. S. DEPARTMENT OF AGRICULTURE
BUREAU OF HOME ECONOMICS

NEG. 10

Clothing and textiles: Index numbers of wholesale prices, 1926 = 100

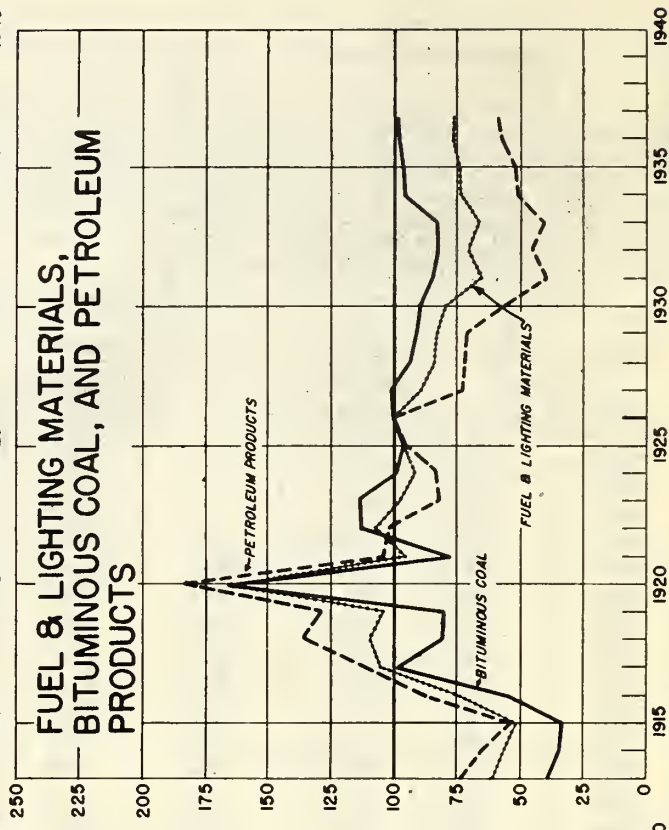
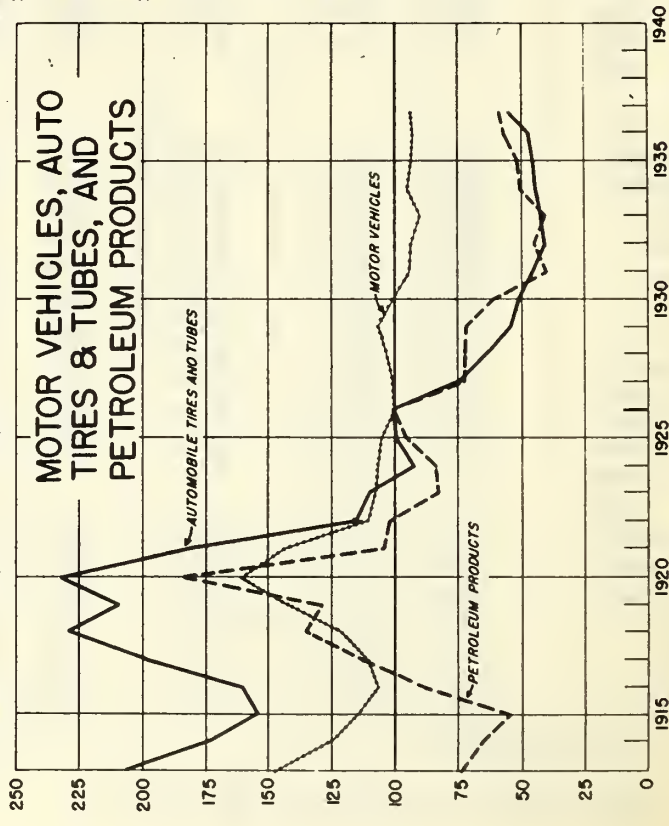
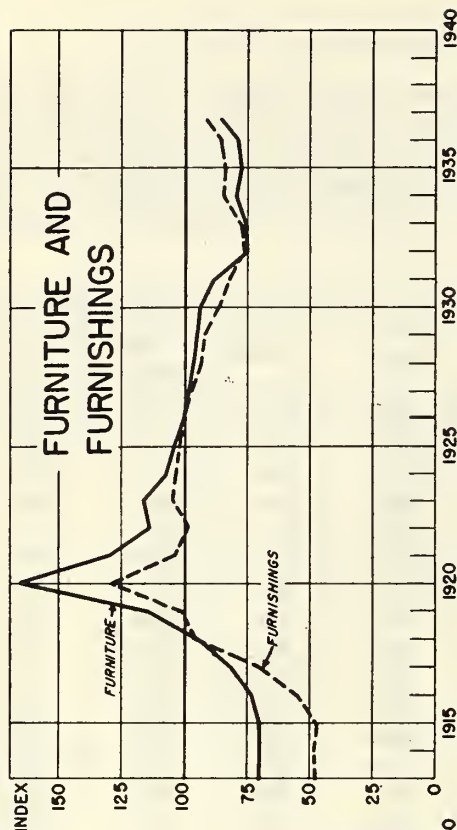
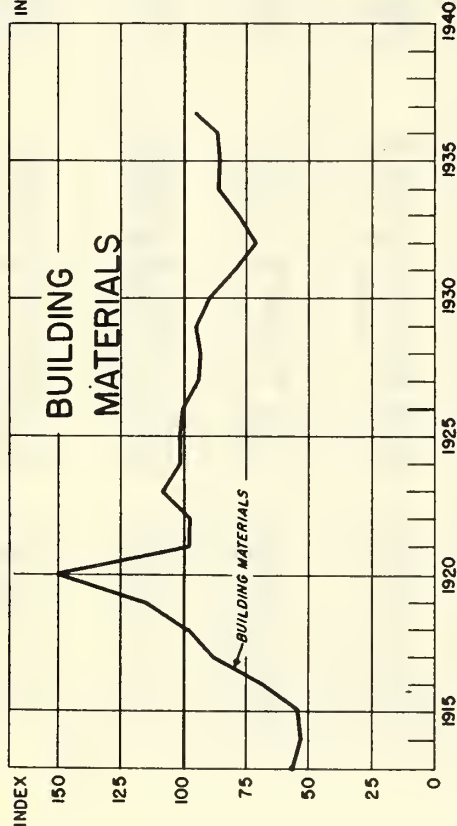
Prices of commodities which have been put through several stages of processing tend to fluctuate less than those of commodities nearer to the raw material stage. Thus, prices of shoes and other clothing show smaller declines from 1928 to 1932 than the prices of cotton and woolen goods. Prices of cotton goods in the first half of the 1920's were maintained at relatively high levels due to higher prices for raw cotton. The marked downward trend in silk and rayon prices in the past 15 years has been due largely to technological improvements and lower production costs in manufacturing rayon. Larger supplies of silk and competition from rayon have resulted in lower silk prices.

Year	Shoes	All textile products	Clothing	Other textile products	Cotton goods	Knit goods	Silk and rayon ^{1/}	Woolen and worsted goods
1913	54.5	57.3	---	62.7	58.0	---	71.8	53.7
1922	98.1	100.2	---	70.8	104.3	---	121.0	95.7
1923	99.1	111.3	---	77.4	116.9	---	129.5	107.5
1924	98.4	106.7	---	87.1	114.7	---	103.1	106.8
1925	100.5	108.3	---	104.1	110.0	---	104.5	110.2
1926	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0
1927	102.5	95.6	95.8	98.2	97.1	91.9	87.1	97.8
1928	109.9	95.5	93.2	95.4	100.4	90.1	83.7	100.1
1929	106.3	90.4	90.0	93.1	98.8	88.5	80.4	88.3
1930	102.0	80.3	86.2	84.2	84.7	80.0	60.2	79.0
1931	93.7	66.3	75.9	75.1	66.1	60.9	43.5	68.2
1932	86.1	54.9	63.0	67.9	54.0	51.6	31.0	57.7
1933	90.2	64.8	72.2	72.5	71.2	58.9	30.6	69.3
1934	98.1	72.9	82.5	73.1	86.5	63.2	26.7	79.7
1935	98.0	70.9	79.8	68.5	83.4	61.8	30.2	76.1
1936	99.8	71.5	81.1	67.0	80.3	61.2	31.2	82.9
1937								
1936								
January	100.5	71.7	80.8	67.8	80.4	61.8	33.5	81.4
February	100.5	71.0	80.7	67.2	78.1	62.0	31.6	82.8
March	100.4	70.8	80.7	67.2	77.1	62.1	30.9	83.8
April	100.3	70.2	80.8	67.5	76.2	62.0	30.1	82.2
May	100.2	69.8	81.1	67.5	75.5	60.6	29.1	82.2
June	99.7	69.7	80.9	66.9	75.4	60.3	29.3	82.6
July	99.3	70.5	80.7	66.8	78.7	59.3	30.7	82.0
August	99.3	70.9	80.8	67.0	79.5	60.3	31.6	81.2
September	99.3	70.9	80.8	67.1	80.0	60.8	30.2	80.9
October	99.3	71.6	81.2	67.0	82.0	61.1	31.1	80.5
November	99.3	73.5	81.5	66.5	85.5	61.2	33.4	84.3
December	99.4	76.3	83.1	65.3	90.3	63.0	33.8	90.5
1937								
January	99.7	77.5	83.9	66.2	91.9	64.4	34.5	91.9
February	101.4	77.5	84.2	65.9	91.3	64.7	33.7	93.1
March	102.3	78.3	84.8	66.5	94.0	64.9	33.6	92.6
April	103.8	79.5	86.8	68.8	95.1	65.9	33.8	93.5
May	106.1	78.7	87.2	68.9	92.6	65.7	32.5	93.3
June	107.5	78.2	89.1	67.5	89.7	64.6	32.5	93.2
July	107.4	78.3	90.1	69.3	86.8	64.8	33.9	94.4

^{1/} "Silk" until 1926

Source of price data: Bureau of Labor Statistics.
Comments: Bureau of Agricultural Economics.

MISCELLANEOUS ITEMS: INDEX NUMBERS OF WHOLESALE PRICES (1926 = 100)



SOURCE OF DATA: U. S. BUREAU OF LABOR STATISTICS

U. S. DEPARTMENT OF AGRICULTURE
BUREAU OF HOME ECONOMICS

NEG. 9

Miscellaneous Items: Index Numbers of Wholesale Prices, 1926 = 100

In periods of business recession, prices of some of the more durable manufactured products are kept at relatively high levels by reducing output. During the depression of the thirties, prices of building materials, motor vehicles, furniture, and furnishings declined much less than prices of farm products. Improvement in the technique of refining petroleum and in manufacturing auto tires and tubes contributed to the lower level of prices of these items in recent years.

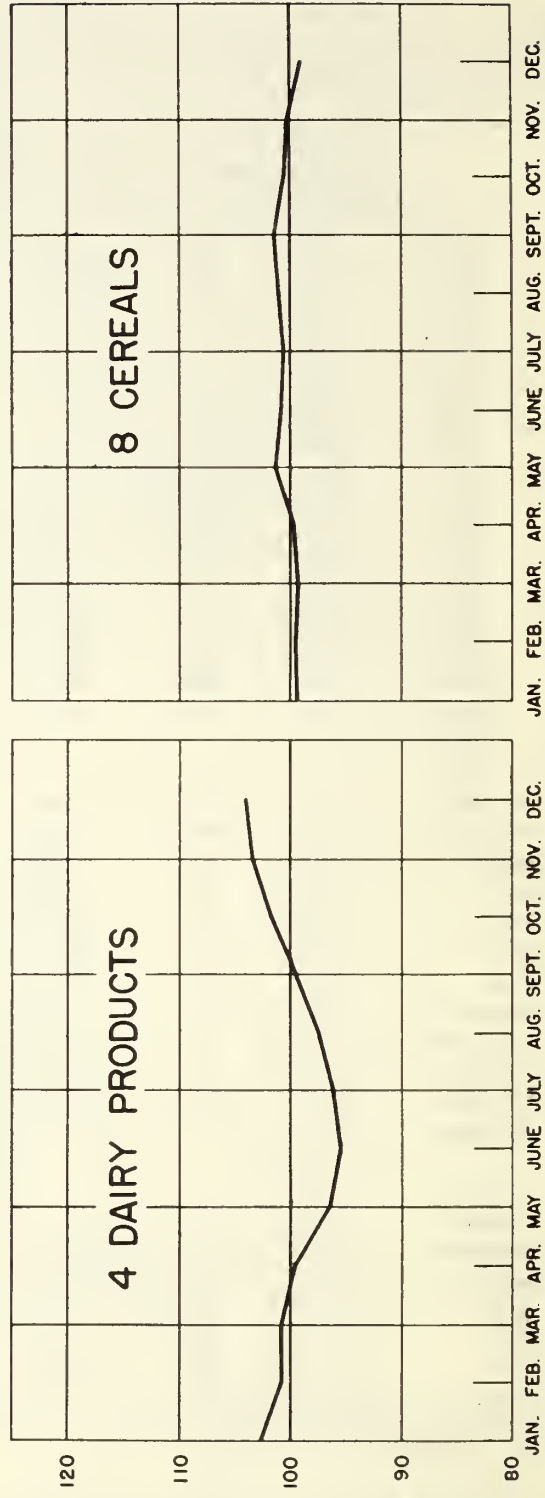
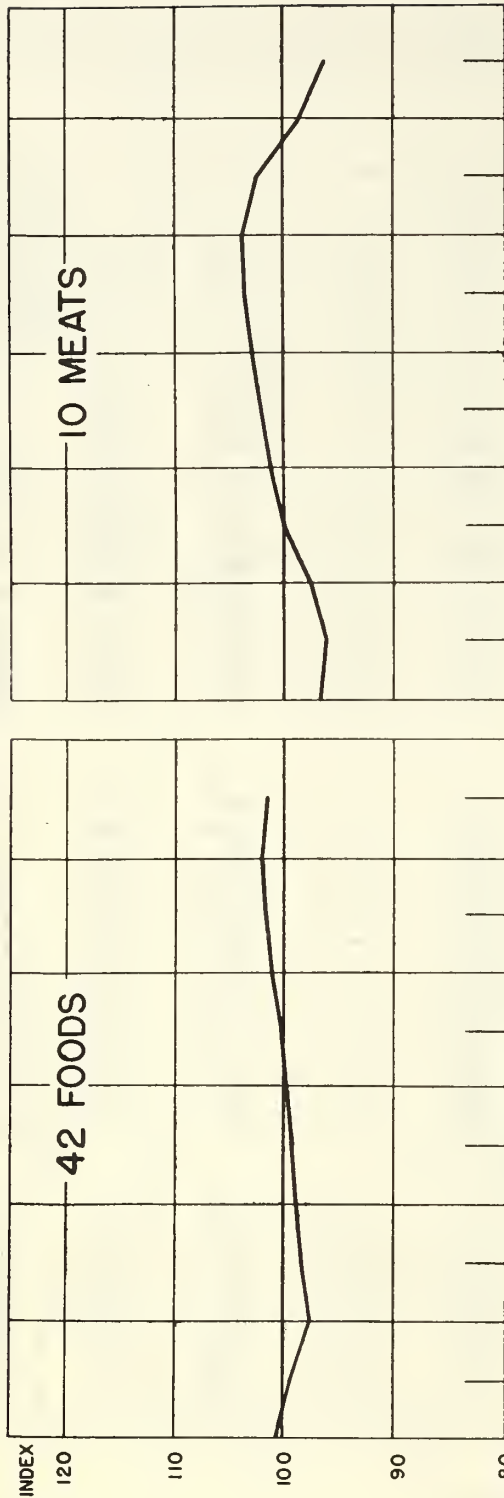
Year	Fuel and lighting materials	Bitumi- nous coal	Petroleum products	Building materials	Furniture	Furnish- ings	Motor vehicles 1/	Automobile tires and tubes
1913	61.3	38.1	73.3	56.7	70.7	47.9	147.5	207.2
1921	96.8	77.7	104.4	97.4	129.9	103.3	143.4	179.0
1922	107.3	113.1	102.9	97.3	114.6	97.0	116.6	115.4
1923	97.3	113.4	82.6	108.7	116.7	104.8	108.7	109.5
1924	92.0	99.7	83.5	102.3	107.9	103.4	107.5	92.6
1925	96.5	96.5	95.0	101.7	104.6	102.2	105.3	98.6
1926	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0
1927	88.3	100.3	72.7	94.7	97.7	97.4	100.4	74.9
1928	84.3	93.6	72.0	94.1	96.7	93.7	102.9	63.4
1929	83.0	91.3	71.3	95.4	95.0	93.6	106.7	54.5
1930	78.5	89.4	61.5	89.9	94.0	91.4	100.3	51.3
1931	67.5	84.6	39.5	79.2	88.0	82.2	94.8	46.0
1932	70.3	82.0	45.4	71.4	75.0	75.4	94.1	41.1
1933	66.3	82.8	41.0	77.0	75.1	76.6	90.2	42.1
1934	73.3	94.5	50.5	86.2	79.0	84.1	95.9	44.9
1935	73.5	96.7	51.3	85.3	77.0	84.3	93.9	45.7
1936	76.2	97.4	57.3	86.7	78.0	85.3	92.7	47.2
1937								
1936								
January	75.1	98.7	54.4	85.7	77.9	84.8	93.6	45.0
February	76.1	100.1	55.7	85.5	77.9	85.0	93.6	45.0
March	76.2	99.4	56.0	85.3	77.9	84.9	94.0	45.0
April	76.4	96.8	57.9	85.7	78.0	85.0	94.0	45.0
May	76.0	96.5	58.2	85.8	77.9	85.0	93.0	47.5
June	76.1	96.5	57.7	85.8	77.5	85.2	92.9	47.5
July	76.2	96.0	58.1	86.7	77.2	85.1	92.9	47.5
August	76.3	96.4	57.9	86.9	77.6	85.2	92.9	47.5
September	76.1	97.0	57.5	87.1	78.0	85.4	91.5	47.5
October	76.8	97.3	57.9	87.3	78.3	85.6	90.8	47.5
November	76.8	97.2	58.1	87.7	78.8	85.7	92.0	50.1
December	76.5	97.3	58.0	89.5	79.4	86.9	93.0	50.1
1937								
January	76.6	96.8	58.3	91.3	84.0	89.0	93.0	51.8
February	76.8	97.4	59.1	93.3	84.5	91.2	93.0	53.1
March	76.2	97.5	58.6	95.9	85.0	91.7	93.0	55.0
April	76.8	98.6	59.8	96.7	85.8	92.1	93.7	56.4
May	77.2	98.5	60.9	97.2	86.1	92.5	93.7	56.4
June	77.5	98.5	61.5	96.9	86.6	92.5	93.7	56.4
July	78.1	98.6	61.8	96.7	86.8	92.6	93.7	56.4

1/ "Automobiles" until 1926

Source of price data: Bureau of Labor Statistics.
Comments: Bureau of Agricultural Economics.

SEASONAL TRENDS IN RETAIL PRICES OF FOODS

INDEX NUMBERS (1913-1932 = 100)



Seasonal Trends in Retail Prices of Foods, 1913-32 = 100

Retail prices of EGGS usually reach a seasonal peak in December when production is at a low level but decline sharply to a low point in April when production reaches a seasonal high peak. Eggs usually move into cold storage when production is at its peak and move out of storage when production is at a seasonal low level.

Retail prices of DAIRY PRODUCTS also reach a seasonal peak in December when the milk flow is at a low ebb but gradually decline to a seasonal low level in June when milk production is usually at a seasonal peak. The seasonal shifts in retail prices are more pronounced for butter than for milk and cheese since it is the chief outlet for surplus milk production. When the production of milk is at a seasonal high level large quantities are used for the manufacture of butter which moves into cold storage.

Retail prices of LAMB are usually highest in May, June, and July when market supplies of lambs are seasonally light and consist mostly of early spring lambs. As marketings increase, through the summer and fall, prices decline to a seasonal low point in December, at which time grass-fat and grain-fed lambs make up practically the entire supply.

Retail prices of BEEF usually reach a seasonal peak in July and hold to a fairly high level through September. Consumer demand for beef is usually greatest during the summer months. Because of increased marketings of cattle at the end of the grazing season, retail prices usually decline during the fall and reach their seasonal low in February.

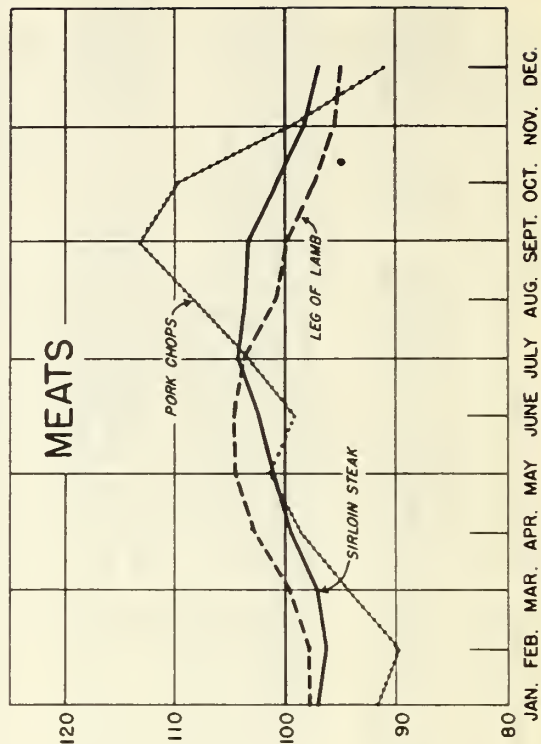
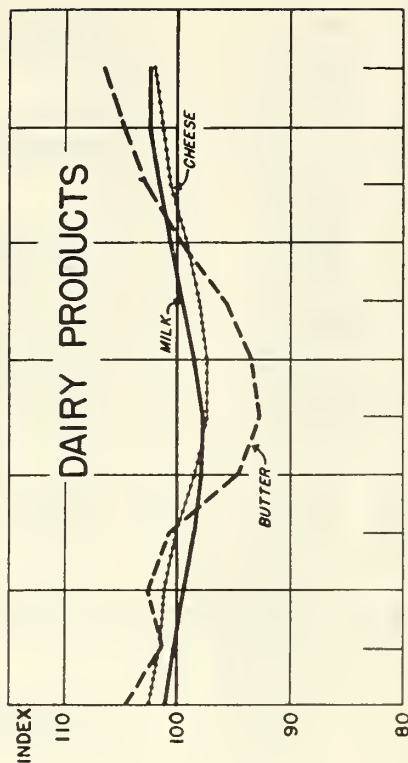
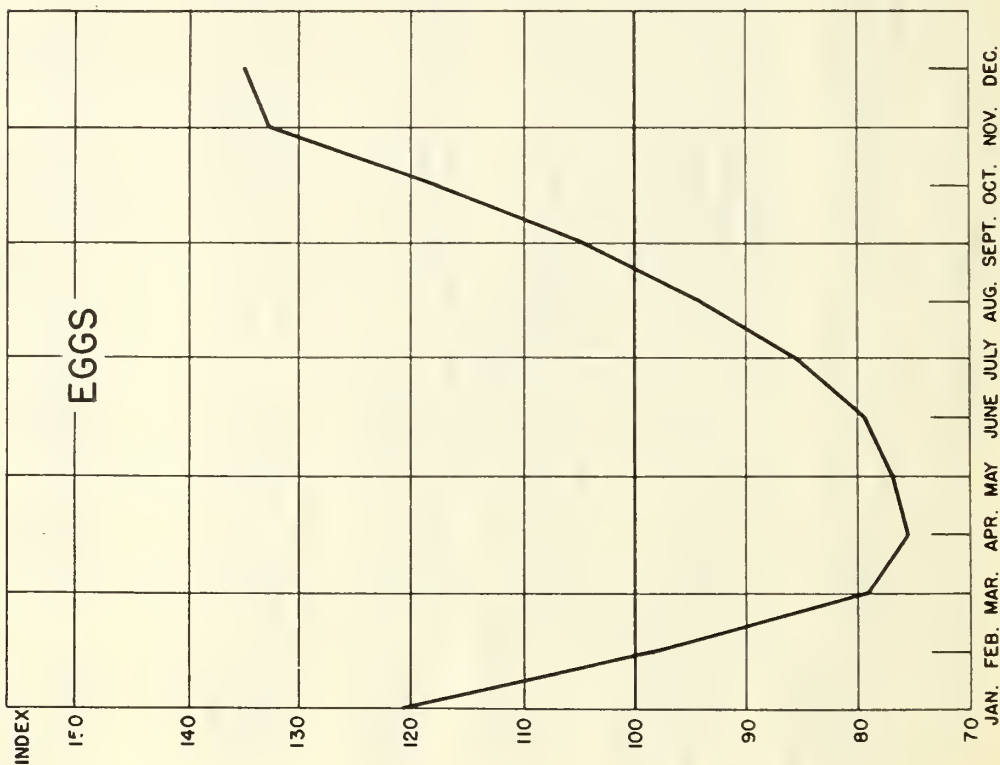
Retail prices of fresh PORK usually reach a seasonal high point in September when the volume of hog marketings is smallest. During the period October to February prices of fresh pork decline sharply in response to the seasonal increase in hog marketings which occurs during this period. From February to September, prices advance as a result of decreasing market supplies.

Item	January	February	March	April	May	June	July	August	September	October	November	December
Eggs.....	120.6	98.4	79.1	75.4	76.8	79.4	85.6	94.0	105.0	117.9	132.7	135.0
Butter.....	104.5	101.5	102.8	100.7	94.5	92.7	93.5	95.6	99.4	102.9	104.8	106.7
Milk.....	101.1	100.3	99.6	98.6	97.9	97.6	98.4	99.4	100.4	101.7	102.5	102.4
Cheese.....	102.4	101.7	101.2	100.2	98.3	97.5	97.3	98.1	99.1	100.7	101.4	102.1
Sirloin steak....	97.1	96.3	97.1	99.4	101.0	102.4	104.2	103.7	103.2	100.8	98.4	97.1
Pork chops.....	91.6	89.7	94.1	98.4	101.2	99.1	103.4	108.1	113.1	109.7	99.7	91.0
Leg of lamb.....	97.8	97.9	99.6	102.9	104.3	104.5	103.6	100.9	99.9	97.4	95.7	95.1

Source of price data: Bureau of Labor Statistics.
Comments: Bureau of Agricultural Economics.

SEASONAL TRENDS IN RETAIL PRICES OF FOODS

INDEX NUMBERS (1913-1932 = 100)



Seasonal Trends in Retail Prices of Food, 1913-32 = 100

The index of retail prices of 42 IMPORTANT FOODS combined, shows little seasonal fluctuation. The seasonal low point is in March, after which there is a rise until November. This seasonal change is largely a result of the normal seasonal variations in prices of meats, cereals, dairy products, and eggs, -- the three groups of food items which are most important in consumers' expenditures for all foods. The seasonal price variations for these three groups differ somewhat but when combined their average results in the seasonal trend shown. The figures for this and succeeding charts are based on average retail prices collected in 51 cities over a period of several years. Trends vary somewhat from year to year, and, particularly for fresh vegetables and fruits, from locality to locality.

Seasonal changes in MEAT PRICES are largely a reflection of seasonal changes in meat supplies although seasonal changes in demand also have some effect. Demand for fresh pork is greatest during the late fall and the winter months when supplies of such meat are usually most plentiful. Demand for beef, lamb, and for cured ham, on the other hand, is relatively strongest during the hot weather months when cold meats and steaks or chops are preferred by many consumers. Marketings of cattle and lambs are largest in the fall -- at the end of the grazing season, -- and are smallest in the spring and early summer. As a result of these various changes in supply and demand the prices of all meats as a group are usually lowest in February and highest in September.

The composite index representing an average of retail prices of EGGS, BUTTER, CHEESE, and MILK, usually declines from a seasonal high point in December, when production and marketings of these commodities are at their lowest level for the year; to a seasonal low in June when milk production is usually at its peak for the year. The peak in egg production commonly comes in April or May. Large quantities of eggs, butter, and cheese are moved into storage during the period when production is large and prices are low, and are moved out of storage when production is seasonally small.

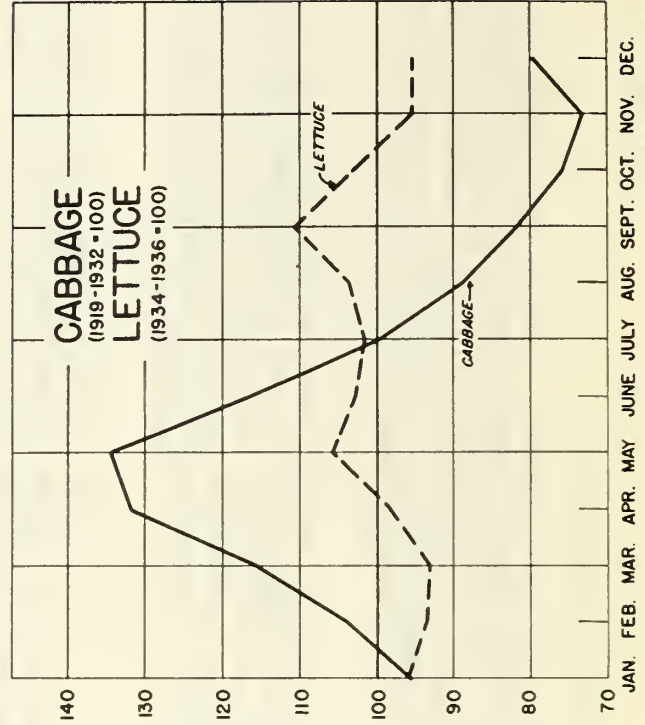
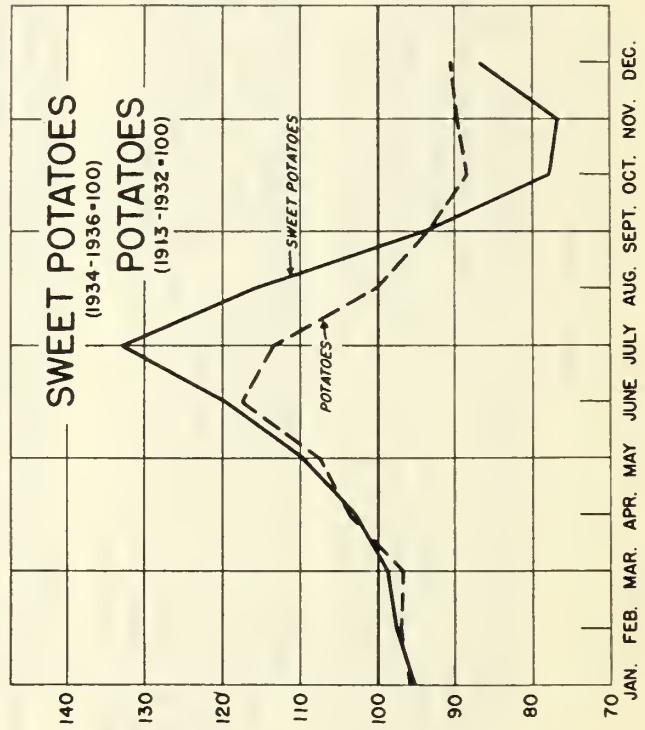
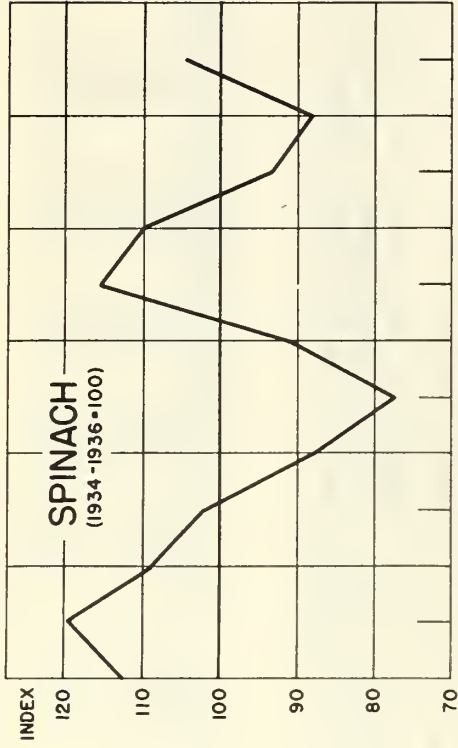
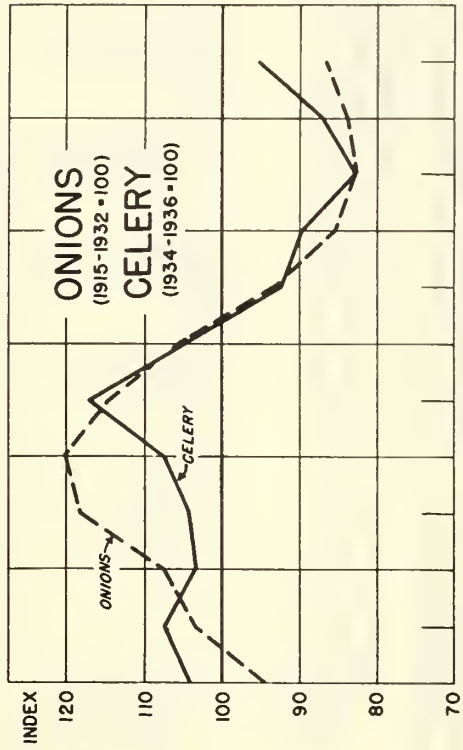
There is little seasonal fluctuation in the index of retail prices of CEREAL FOODS. The prices of these products tend to be slightly lower in the winter months than in the remainder of the year. Supplies of these products are relatively stable through the year since manufacturing costs, which tend to be fairly stable from month to month, comprise a large portion of the retail price.

Item	January	February	March	April	May	June	July	August	September	October	November	December
42 foods.....	100.6	98.5	97.5	98.4	98.8	99.3	99.9	100.2	101.1	101.7	102.0	101.4
10 meats.....	96.7	96.1	97.5	100.0	101.1	101.4	102.8	103.3	103.8	102.3	98.8	96.3
4 dairy products	102.6	100.7	100.9	99.6	96.5	95.6	96.1	97.3	99.6	101.9	103.4	104.0
8 cereals.....	99.3	99.6	99.3	99.7	101.2	100.9	100.6	101.0	101.3	100.5	100.2	99.1
Flour.....	98.7	100.0	99.6	100.1	102.6	102.0	100.3	100.8	100.1	98.7	98.2	97.4
Corn meal.....	99.0	98.3	98.1	98.2	98.7	99.1	99.9	101.0	103.2	101.6	100.7	100.1

Source of price data: Bureau of Labor Statistics.

Comments: Bureau of Agricultural Economics.

SEASONAL TRENDS IN RETAIL PRICES OF FOODS



ONION prices usually reach a seasonal peak in May, when market supplies are relatively scarce and the major portion of the supply consists of early onions produced in the Southern States. As the season advances, supplies become available in increasing volume and prices decline sharply. By October the late onion crop produced in the Northern States is available and prices reach the season's low point. A portion of this supply is stored for the late winter and early spring market.

CELERY prices usually hold to a relatively high level during the late winter and early spring months, when marketings are relatively small. The season's peak in prices occurs in June which is an off-season producing period. After June, celery supplies increase considerably and prices usually decline sharply, reaching a low point in October.

SPINACH prices usually reach a seasonal peak in February when the market supply is relatively small and the chief sources are the producing areas distant from the principal consuming centers. As the season advances, supplies become available in increasing volume and prices decline sharply. By June, prices are at the low point of the season but usually advance sharply again after the harvest of local and nearby crops is completed. A secondary seasonal peak in prices is reached in August, the off-season in production, but prices are again forced down to a secondary seasonal low point in November by the marketings of a second crop in the intermediate producing areas, such as Virginia.

SWEETPOTATO prices usually reach a seasonal peak in July when market supplies are small. Marketings of the old crop end in July and only a small amount of the new crop is available at that time. As marketings of the new crop increase in volume, prices usually decline sharply and reach a seasonal low point in November. After November, marketings are largely from storage and prices usually rise sharply to the end of the season.

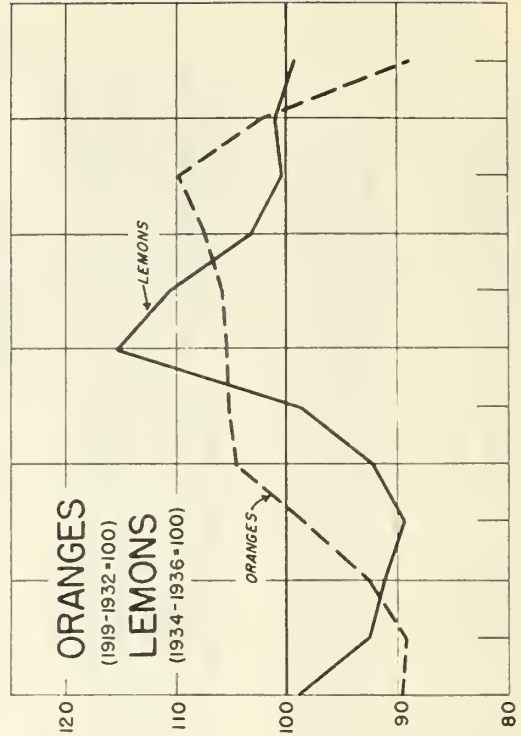
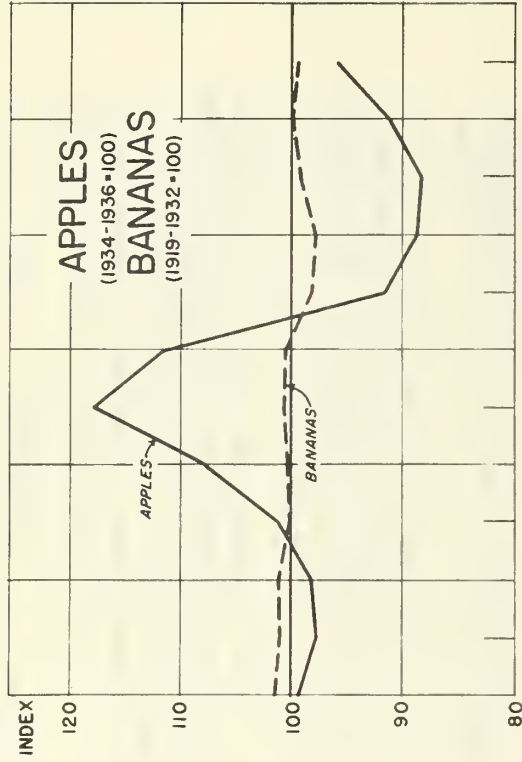
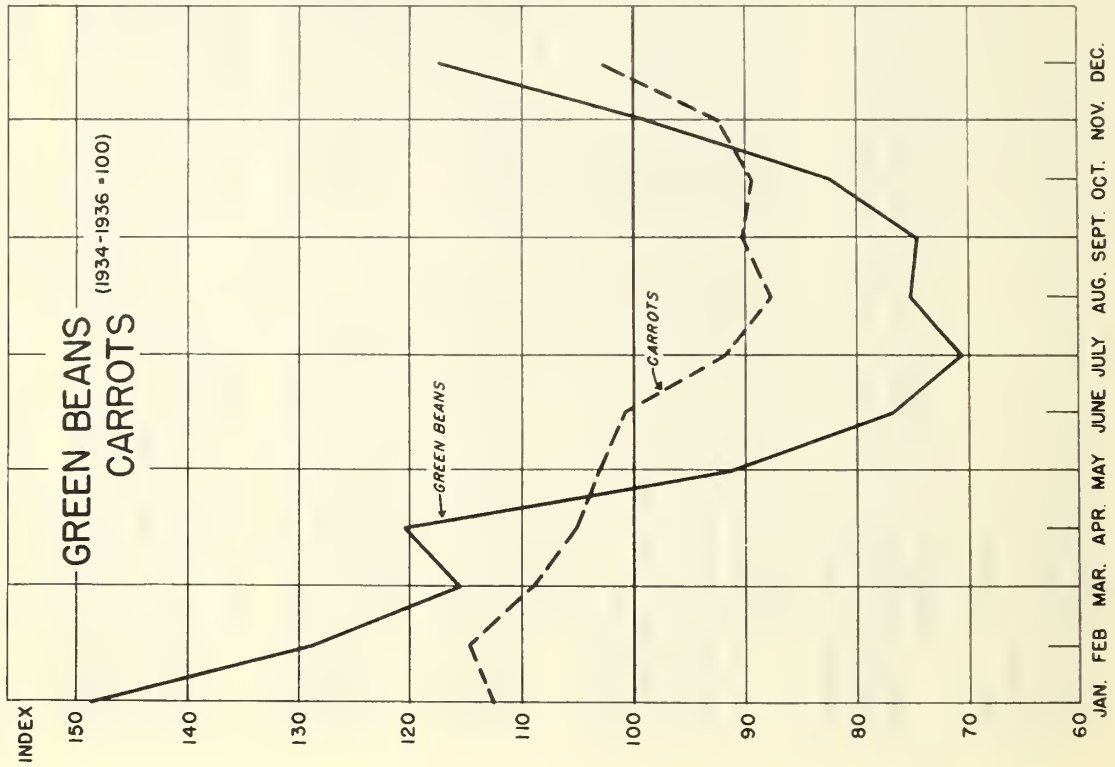
Retail prices of POTATOES usually reach a seasonal low point in October when marketings from the late States are at their height. From October to March marketings consist largely of stock stored the previous fall but prices rise only slightly. From March to June the new crop produced in the Southern States gradually replaces the old stock and prices rise sharply. A seasonal peak in prices is reached in June, after which supplies from the intermediate States become available in increasing volume and prices decline.

Retail prices of CABBAGE usually reach a seasonal low point in November when supplies for the year are heaviest. After the harvest of the late crop is completed, considerable quantities of early cabbage produced in the Southern States become available and gradually replace the stored portion of the late Danish type. As this replacement occurs, prices rise sharply to relatively high levels in April and May. It is in the latter two months that market supplies are made up entirely of new-crop cabbage. From May to November market supplies increase sharply as more areas come into production. This shifting of supplies usually causes prices to decline sharply.

There are usually two seasonal peaks and two seasonal low points in retail prices of LETTUCE. The two peaks reflect largely the off-season of production in California and Arizona, the two principal commercial lettuce-producing States. In the summer months considerable quantities of lettuce become available in the Northern States, but in the fall and winter months California, Arizona, and Florida are the chief producers.

Comments: Bureau of Agricultural Economics.

SEASONAL TRENDS IN RETAIL PRICES OF FOODS



SOURCE OF DATA: U. S. BUREAU OF LABOR STATISTICS

U. S. DEPARTMENT OF AGRICULTURE
BUREAU OF HOME ECONOMICS
NEG. II

Seasonal Trends in Retail Prices of Food, 1913-32 = 100 unless otherwise noted

Retail prices of GREEN BEANS reach a relatively high seasonal peak in January, when market supplies are scarce and arrive largely from areas in the Southern States. As the more-northern areas come into production, however, supplies increase sharply and cause prices to decline precipitously. The season's low point is usually reached in July, when supplies are the largest for the year. From September to January prices usually rise.

In the winter months market supplies of CARROTS come largely from California, although relatively small quantities of the stored late northern crops of the previous season are available. Because of the relatively small total supply available during these months, retail prices usually are at the highest level of the year. From February to August production of the new crop increases and prices decline fairly sharply. Relatively large quantities from areas near the market centers become available during this period and force prices to a low level.

Retail prices of APPLES usually reach a seasonal peak in June when marketings of the old crop are completed and only small quantities of early apples of the new crop are available. During July and August marketings of the new crop increase sharply and prices decline precipitously. The low point of the season, however, is usually not reached until October, the month of heaviest marketings. From November to April apples are moved out of storage and prices usually rise slightly, and after April prices rise sharply to the June peak.

Practically all of the BANANAS consumed in the United States are imported from the tropics where seasonal factors have little or no effect on production. Consequently, the supply made available in this country is fairly constant throughout the year, the imports being only slightly smaller during fall and winter months (when marketings of apples, pears, and citrus fruits are heaviest) than in spring and summer. Retail prices of bananas tend to be slightly lower in the late summer and fall than in the remainder of the year.

Owing to the relatively large production of winter ORANGES in both California and Florida the retail price of this fruit is at a seasonal low level during December, January, and February. Prices usually rise sharply from March to May, however, as the marketing period of the winter crop is completed and demand increases seasonally. From May to October the California Valencia or summer crop is the chief source of supply and prices rise gradually to a seasonal peak in October.

Retail prices of LEMONS usually reach a seasonal peak in July, the month of highest average temperatures and consequent greatest demand for lemons. Prices decline sharply from the July peak as temperatures become more moderate and finally reach a seasonal low point in April. The rise in prices from April to July usually is quite marked due largely to a seasonal improvement in demand.

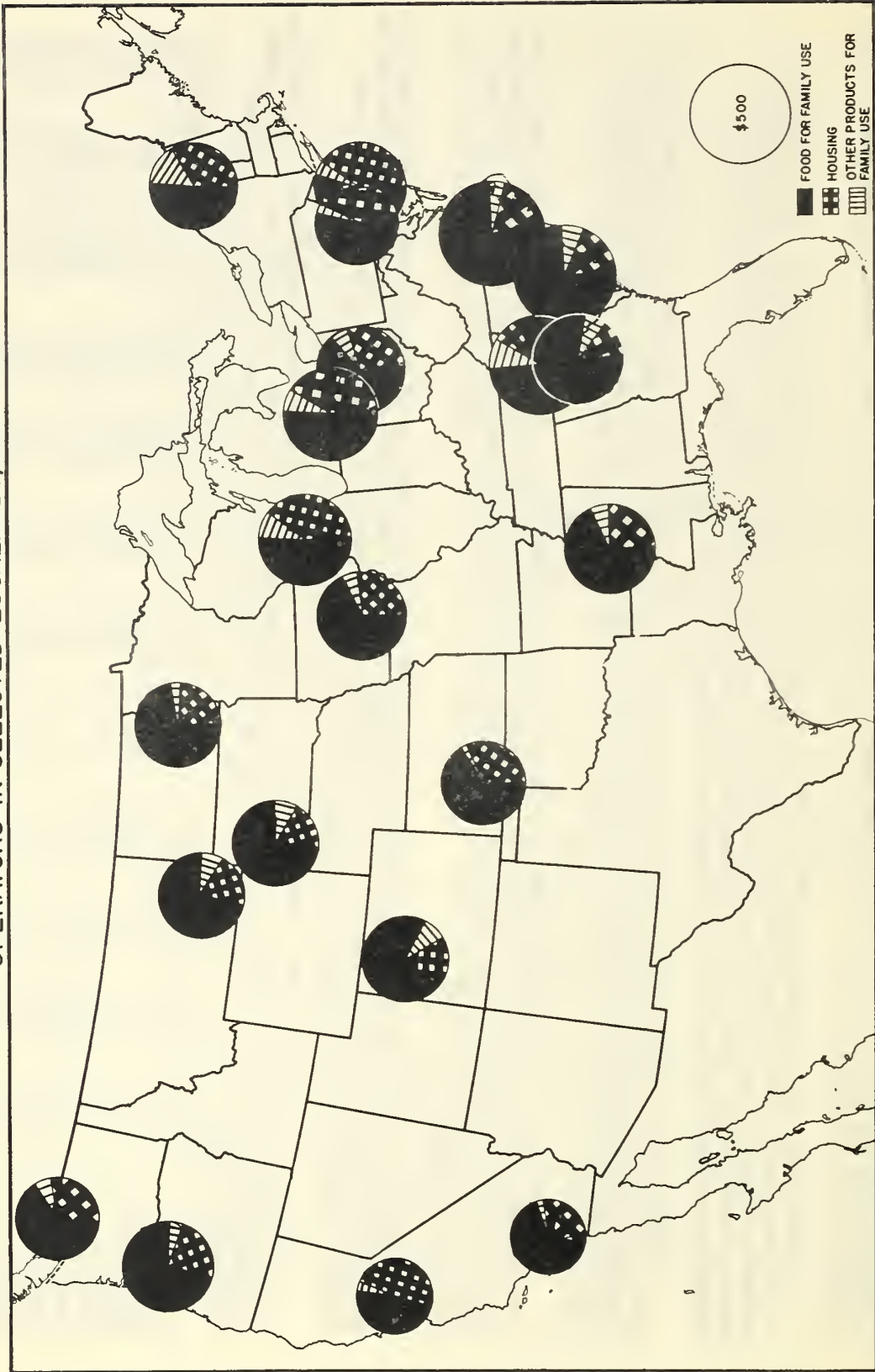
Item	January	February	March	April	May	June	July	August	September	October	November	December
Potatoes.....	95.8	97.1	97.0	103.8	107.7	117.4	113.3	100.2	93.6	88.3	89.6	90.4
Sweetpotatoes 1/	95.2	97.8	98.9	102.9	109.6	119.6	132.8	115.9	93.8	77.9	76.8	86.8
Cabbage 3/.....	95.4	104.0	115.3	131.6	134.4	116.9	99.6	88.8	81.8	75.7	73.1	79.9
Spinach 1/.....	112.4	119.5	109.0	102.0	88.0	77.4	91.0	115.4	110.0	93.2	88.0	104.3
Lettuce 1/.....	96.2	93.6	93.0	98.3	105.9	103.0	101.9	103.8	110.6	103.4	95.8	95.5
Beans, green 1/...	148.7	129.0	115.6	120.3	91.3	76.9	70.7	75.1	74.6	82.2	98.8	117.1
Carrots 1/.....	112.5	114.8	109.0	105.3	103.1	100.9	92.0	87.7	90.1	89.5	92.3	102.8
Onions 2/.....	94.9	103.4	107.7	118.4	120.0	114.8	105.8	93.5	85.6	82.7	83.9	86.6
Celery 1/.....	104.2	107.5	103.6	104.3	107.5	117.1	105.5	92.6	89.9	82.7	87.0	95.1
Apples 1/.....	99.3	98.0	98.3	101.1	107.6	118.1	111.6	91.6	88.5	88.2	91.0	95.9
Bananas 3/.....	101.3	101.0	101.1	100.1	100.2	100.7	100.4	98.2	97.9	99.2	99.9	99.4
Oranges 3/.....	89.7	89.3	92.7	98.6	104.5	105.3	105.4	105.9	107.3	109.9	102.1	89.0
Lemons 1/.....	98.9	92.6	91.1	89.4	92.1	98.8	115.3	110.6	103.1	100.3	101.0	99.3

1/ Average prices 1934 - 1936 = 100 2/ Average prices 1915 - 1932 = 100 3/ Average prices 1919 - 1932 = 100

Source of price data: Bureau of Labor Statistics.

Comments: Bureau of Agricultural Economics

AVERAGE VALUE OF FARM-FURNISHED PRODUCTS AND HOUSING OF WHITE
OPERATORS IN SELECTED LOCALITIES, 1935-36



U. S. DEPARTMENT OF AGRICULTURE

BUREAU OF HOME ECONOMICS
CONSUMER PURCHASES STUDY

NEG. 18

Average value of farm-furnished products and housing, 1935-36.

White operators in localities selected for type of farming.

(Nonrelief families with positive incomes)

The average money value^{1/} of food farm-furnished for family use was between \$200 and \$500 per family in 1935-36, among white farm operators in 15 out of 19 localities^{2/} selected to represent type of farming areas.

The money value of food constituted from about one-half to somewhat more than three-fourths of the value of the farm's contribution "in kind" to family living; fuel, ice, tobacco, other products, and housing constituted the remainder. Fuel, the second most important farm-furnished product, was of greatest value in the Northeast and in a self-sufficing farm area in the Appalachian Highlands. Estimated average values of housing were highest in the East North Central region and lowest in the Southeast.

In the Southeast, families of white operators, although smaller than those of Negro operators, had more farm-furnished goods.

Selected counties ^{2/} in-	Families studied receiving positive net income	Average size of family	Average value ^{1/} of farm-furnished-			Total value
			Food	Other products	Housing	
	Number	Number	Dollars	Dollars	Dollars	Dollars
Vermont.....	513	4.2	259	82	169	510
New Jersey.....	770	4.0	316	26	228	570
Pennsylvania.....	2016	4.7	339	18	237	594
Ohio.....	814	3.9	345	33	153	531
Michigan.....	780	3.7	202	29	151	382
Wisconsin.....	780	4.5	288	53	218	560
Iowa.....	696	3.9	368	24	142	534
North Dakota.....	833	4.5	365	18	122	505
Kansas.....	557	4.2	306	4	148	458
North Carolina, West...	823	5.2	504	59	52	615
North Carolina, East...	437	5.3	515	32	111	658
South Carolina.....	1779	5.1	468	43	104	615
Georgia.....	723	4.5	392	39	62	493
Mississippi.....	495	4.6	361	35	124	520
Montana, South Dakota,						
Colorado.....	794	4.0	315	35	88	438
Washington.....	697	3.7	213	22	111	346
Oregon.....	1611	3.8	357	26	120	503
California, Central....	266	3.6	163	13	163	339
California, Southern...	1080	3.4	95	9	219	323

^{1/} Valued at prices which would have been paid to neighbors or at other likely place of purchase, for goods bought in similar quantity and of similar quality.

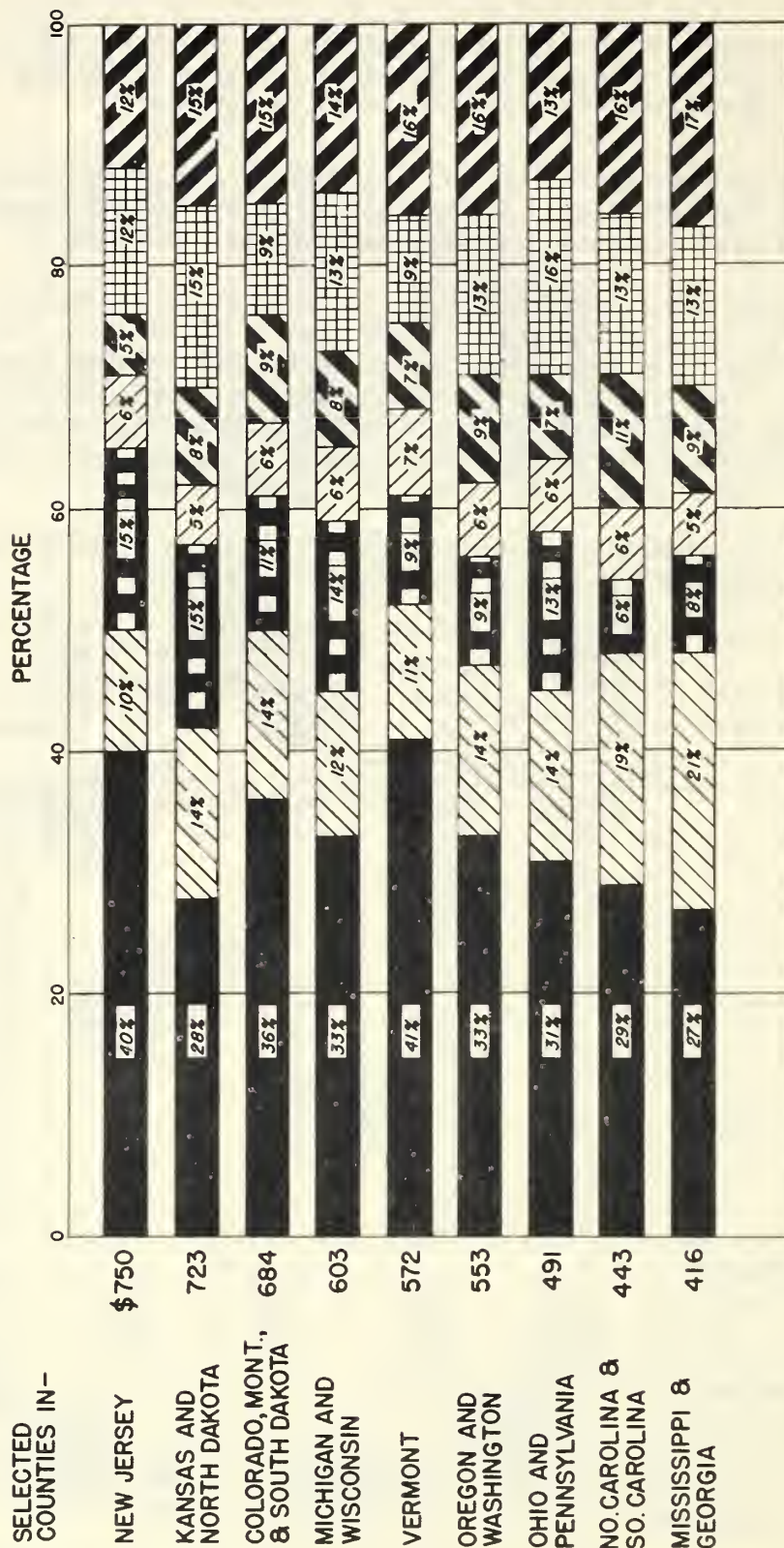
^{2/} For description of localities selected and population groups studied, see p. 5.

MONEY EXPENDITURES FOR FARM FAMILY LIVING, 1935-36

IN MONEY AND NON-MONEY INCOME CLASS, \$750-999

(NON-RELIEF FAMILIES OF NATIVE WHITE OPERATORS)

SELECTED
COUNTIES IN—



MONEY EXPENDITURES FOR FARM FAMILY LIVING, 1935-36
in Money and Nonmoney Income Class, \$750-999^{1/}
(Nonrelief families^{2/} of native white operators)

The amount spent for living by farm families in any given income class (money and nonmoney) varied from one locality to another, due largely to differences in the ratio of money to nonmoney income; for example, families of white operators in the South usually had a smaller average money income and a larger nonmoney income from the farm (home-produced food and housing) than did farm families in the Mountain States. This difference affected the amount of money available for family living. Differences in size of family and in climate also influenced both the total spent and the allocation of expenditures to different items such as food, clothing, fuel.

(Arranged in order of total expenditures)

Selected counties in -	Fami- lies stud- ied	Aver- age total ex- pendi- tures	Average money expenditures for -										Automobile, other travel and trans- portation		Other items 3/	
			Food		Clothing		Household operation		Housing, furnishings and equipment		Medical care					
			<u>Dol.</u>	<u>Pct.</u>	<u>Dol.</u>	<u>Pct.</u>	<u>Dol.</u>	<u>Pct.</u>	<u>Dol.</u>	<u>Pct.</u>	<u>Dol.</u>	<u>Pct.</u>	<u>Dol.</u>	<u>Pct.</u>	<u>Dol.</u>	<u>Pct.</u>
New Jersey (3) 4/.....	49	750	300	40	76	10	111	15	47	6	38	5	86	12	91	12
Kansas (4), N. Dakota (4).....	177	725	207	28	99	14	108	15	35	5	59	8	106	15	111	15
Colorado (3), Montana (1), S. Dakota (1).....	84	684	245	36	99	14	75	11	43	6	59	9	61	9	101	15
Michigan (1), Wisconsin (1).....	177	603	198	33	75	12	86	14	37	6	45	8	79	13	83	14
Vermont (2).....	111	572	235	41	62	11	54	9	42	7	37	7	49	9	93	16
Oregon (2), Washington (1).....	117	553	182	33	75	14	51	9	34	6	53	9	71	13	87	16
Ohio (3), Pennsylvania (1).....	305	491	153	31	70	14	65	13	31	6	33	7	73	16	66	13
N. Carolina (2), S. Carolina (6).....	283	443	128	29	83	19	26	6	29	6	48	11	58	13	71	16
Georgia (8), Mississippi (4).....	240	416	114	27	85	21	31	8	23	5	36	9	55	13	72	17

- ^{1/} This income class was the modal one for selected counties in the States listed excepting: New Jersey, Wisconsin, Vermont, and North Carolina, where the modal class was \$1,000 - \$1,249; and North Dakota and Georgia, where the modal class was \$500 - \$749.
- ^{2/} For description of localities selected and population groups studied, see page 5.
- ^{3/} Other items include: Personal care, recreation, reading, education, tobacco, gifts, contributions, taxes, and occasional expenses.
- ^{4/} Figures in parentheses denote the number of counties studied in each state.

Consumer Purchases Study
Preliminary figures.

Bur. Home Econ. U.S.D.A.



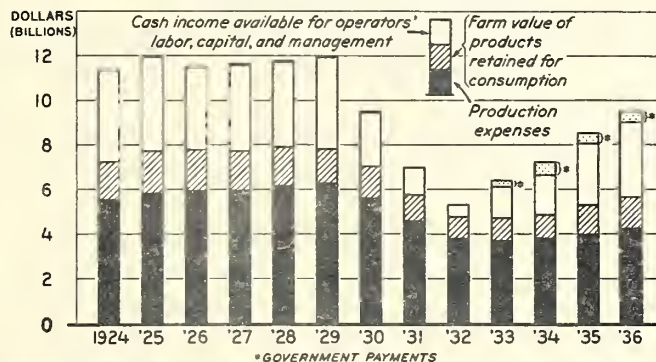
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DEMAND, CREDIT, AND PRICES, 1938

AGRICULTURAL OUTLOOK CHARTS

Distribution of Gross Income from Farm
Production, 1924 to Date



U. S. DEPARTMENT
OF AGRICULTURE
BUREAU OF AGRICULTURAL ECONOMICS
WASHINGTON, D. C.

OCTOBER 1937

OUTLOOK CHART SERIES

1938

The charts in this book have been selected by the Outlook Committees as those best adapted for presenting graphically the economic background for the respective commodities. Though the charts are as up-to-date as available data will permit, mimeographed data sheets will be mailed early in November for bringing to date, as of November 1, those charts and tables having monthly data. Many other charts which are useful in special cases but are not included in this booklet can be supplied upon request.*

OUTLOOK CHART BOOKS FOR 1938

Beef Cattle	Demand, Credit and Prices
Cotton	Farm Family Living
Tobacco	Feed Crops: Corn, Oats, Barley, Hay; and Total Livestock
Wheat and Rye	Sheep, Lambs, Wool and Mohair
Fruits and Nuts	Potatoes and Truck Crops
Hogs	Flax, Soybeans, Peanuts, and Cottonseed
Poultry and Eggs	Rice and Dry Beans
Dairy Products	

Copies of these chart books are sent to Outlook extension workers but are not available for general distribution.

WALL CHARTS - Wall charts, 30 x 40 inches in size, will be made by the Bureau on receipt of order for 10¢ each on blueprint paper, for 20¢ each on black-line paper, and 75¢ each on chart cloth (blue-line). Single bromide enlargements of other charts and maps not included in this booklet will be made for 75¢, or mounted on cloth for \$1.25 each; if 25 copies or more are ordered, however, they will be furnished at the 10 or 20-cent rate, depending upon the paper. Note: The charts shown in this book are the publication type - those which will be supplied on orders have the large lettering suitable for use in extension meetings.

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- (1) List number, title, and whether wanted on cloth or paper for each chart desired.
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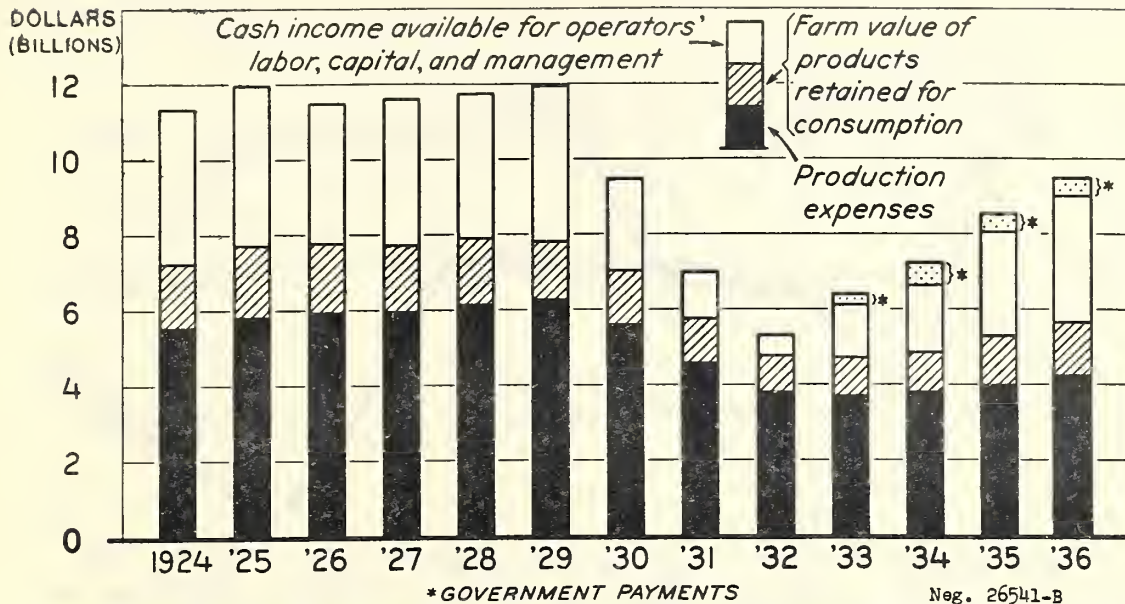
*See "Agricultural Economics Charts," mimeographed, June 1937.

LIST OF DEMAND OUTLOOK CHARTS

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27015	Cash farm income from livestock and livestock products, by groups, and income of industrial workers, 1924-36	4	4
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<u>Negative</u>	<u>Title</u>	<u>Page</u>	
		<u>Chart</u>	<u>Table</u>
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18350	Prices received and paid by farmers, 1910 to date	22	22
21524-B	Supply of farm labor and industrial employment, index numbers, 1919 to date	23	--
27532	Prices paid by farmers, farm wage rates, and interest and taxes payable per acre, 1910 to date	23	--
31685-B	Prices paid by farmers for commodities used in production, farm machinery, and fertilizer	23	--
31686-B	Prices paid by farmers for specified commodities, 1910 to date	23	--
24214-B	Prices paid by farmers for food, clothing, and family maintenance, 1910 to date	23	--
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32146	Demand deposits of country banks, farm income, prices received by farmers, and rural retail sales	24	25
29713	Personal and collateral loans to farmers and index of prices received by farmers	26	26
32484	Mortgage debt per acre, value of land, and taxes on farm real estate	27	27
25306	Trend of farm mortgage holdings of principal lending agencies, 1914 - June 30, 1937	28	28

Distribution of Gross Income from Farm Production, 1924 to Date



Gross income from farm production includes the value of products consumed on the farm as well as the cash income from products which are produced and marketed. Both gross income and cash income have increased greatly since 1932. Since farmers' expenditures for production increase less rapidly than income in periods of recovery, the remainder available for the operator's labor, capital, and management increases relative to total income.

Distribution of gross income from farm production, 1924-

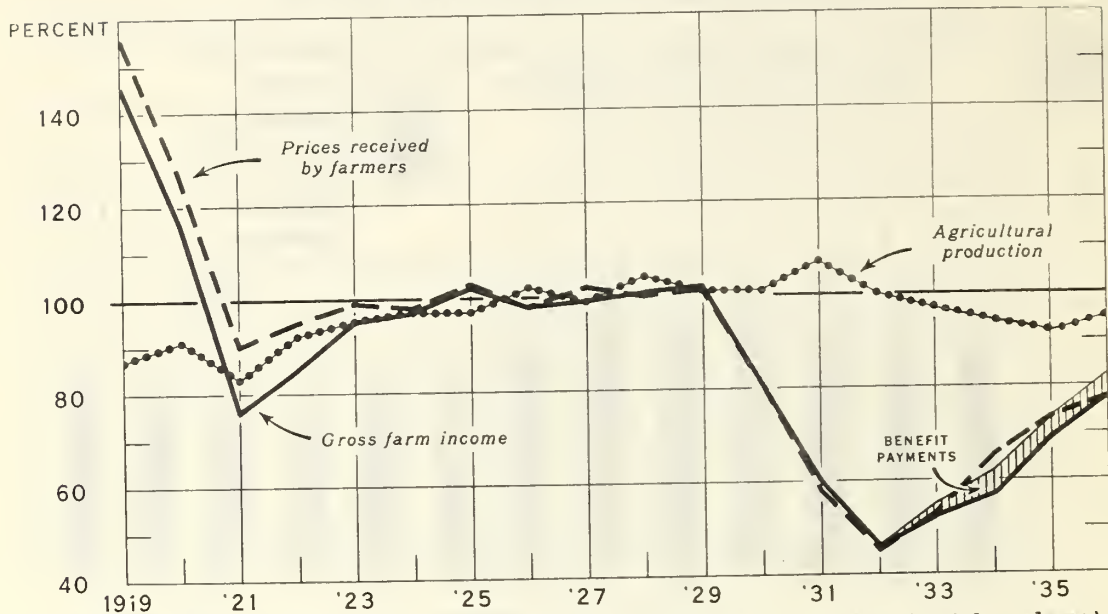
Year	Gross income ^{1/}	Production expenses	Farm value of products retained for consumption	Cash income available for operator's labor, capital and management	Rental and benefit payments
	Million dollars	Million dollars	Million dollars	Million dollars	Million dollars
1924	11,337	5,538	1,697	4,102	
1925	11,262	5,834	1,882	4,252	
1926	11,480	5,960	1,822	3,698	
1927	11,616	5,979	1,744	3,893	
1928	11,741	6,145	1,742	3,254	
1929	11,941	6,272	1,524	4,145	
1930	9,454	5,591	1,424	2,439	
1931	6,968	4,575	1,167	1,226	
1932	5,337	3,845	960	532	
1933	6,406	3,723	997	1,686	278
1934	7,276	3,809	1,049	2,418	595
1935	8,508	3,370	1,307	3,231	498
1936	9,530	4,230	1,430	3,870	480
1937					
1938					
1939					

Bureau of Agricultural Economics. Current data for columns 1, 2, 3, and 5, published annually in mimeographed release "Income from farm production in United States."

^{1/} Includes rental and benefit payments.

AGRICULTURAL PRODUCTION, PRICES, AND INCOME, UNITED STATES, 1919 TO DATE

INDEX NUMBERS (1924-1929=100)



The index numbers of agricultural production measure the quantity of goods produced for sale and for home consumption on farms. The index numbers of prices measure the price changes of a fixed bill of goods during the period in which production for the year is normally marketed. Changes in gross income are the result of changes in both prices and production.

Neg. 23552

Agricultural production, prices, and income, United States, 1919 -

Index numbers (1924-29 = 100)

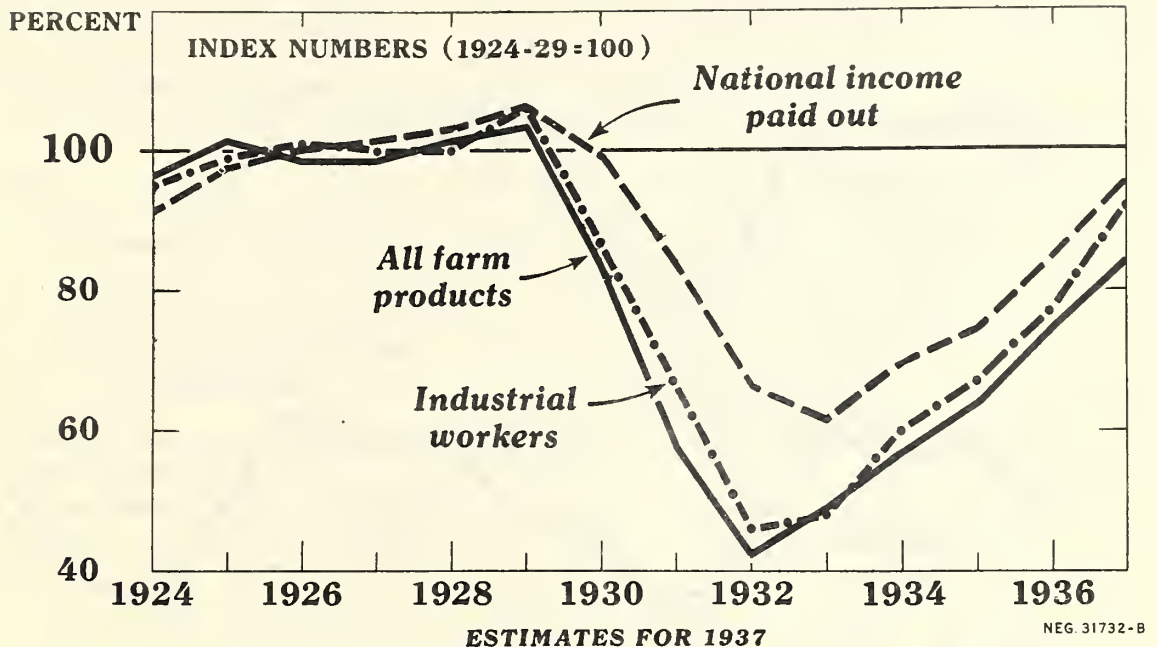
Year	Agricultural production	Prices received by farmers	Gross farm income	Gross farm income, including benefit payments
1919	87	155	145	
1920	91	126	116	
1921	83	90	76	
1922	92	95	85	
1923	95	99	95	
1924	97	98	97	
1925	97	103	102	
1926	102	98	98	
1927	99	102	99	
1928	104	100	101	
1929	101	101	102	
1930	101	81	81	
1931	107	58	60	
1932	100	45	46	
1933	97	53	52	55
1934	94	65	57	62
1935	92	73	69	73
1936	95	78	78	82
1937				
1938				
1939				

Bureau of Agricultural Economics.

Index numbers of volume of agricultural production published annually in mimeographed release "Income from farm production in the United States".

Index numbers of prices and income (on 1924-29 base) are not published.

Cash Income from Farm Marketings, National Income, and Income of Industrial Workers



The importance to farmers of the outlook for changes in consumer purchasing power is indicated by the fairly close relationships among the income of industrial workers, the national income paid out, and the cash income from farm marketings.

Cash income from farm marketings, national income, and income of industrial workers,
1924 to date

Index numbers (1924-29 = 100)

Year	National income paid out ^{1/}	Income (all farm products)	Income of industrial workers
1924	91.4	96.5	95
1925	97.5	101.5	99
1926	100.0	98.5	101
1927	101.5	98.5	100
1928	103.2	101.5	100
1929	106.4	103.5	106
1930	99.2	83.5	87
1931	83.8	58.0	67
1932	66.0	42.5	46
1933	61.1	49.0	48
1934	69.4	57.0	60
1935	74.4	64.0	67
1936	84.5	74.5	77
1937 ^{2/}	95.3	84.0	92
1938			
1939			

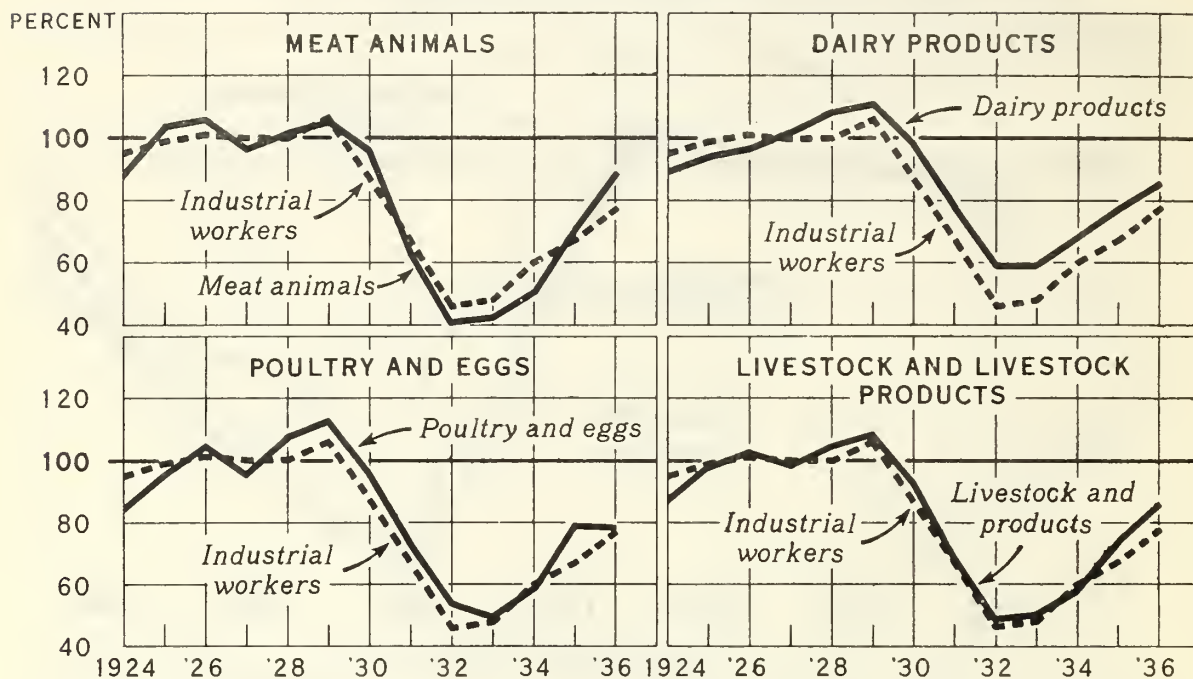
Bureau of Agricultural Economics. Data not published.

^{1/} All index numbers prior to 1929 are based on estimates of national income as published in "America's Capacity to Consume" by Levin, Moulton, and Warburton, The Brookings Institute. Since 1929 indexes are based upon the revised estimates of National Income Paid Out, from the Bureau of Foreign and Domestic Commerce. This series was extended back to 1924 by multiplying the earlier series by .9808, the ratio of the Commerce estimate for 1929 to that of the same year in the earlier series.

^{2/} Estimates.

CASH FARM INCOME FROM LIVESTOCK AND LIVESTOCK PRODUCTS, BY GROUPS, AND INCOME OF INDUSTRIAL WORKERS, 1924-36

INDEX NUMBERS (1924-29=100)



U. S. DEPARTMENT OF AGRICULTURE

NEG. 27015

BUREAU OF AGRICULTURAL ECONOMICS

Cash income to farmers from the sale of livestock and livestock products and the income of industrial workers tend to increase or decrease about the same amount and at about the same time.

Cash farm income from livestock and livestock products, by groups, and income of industrial workers, 1924 -

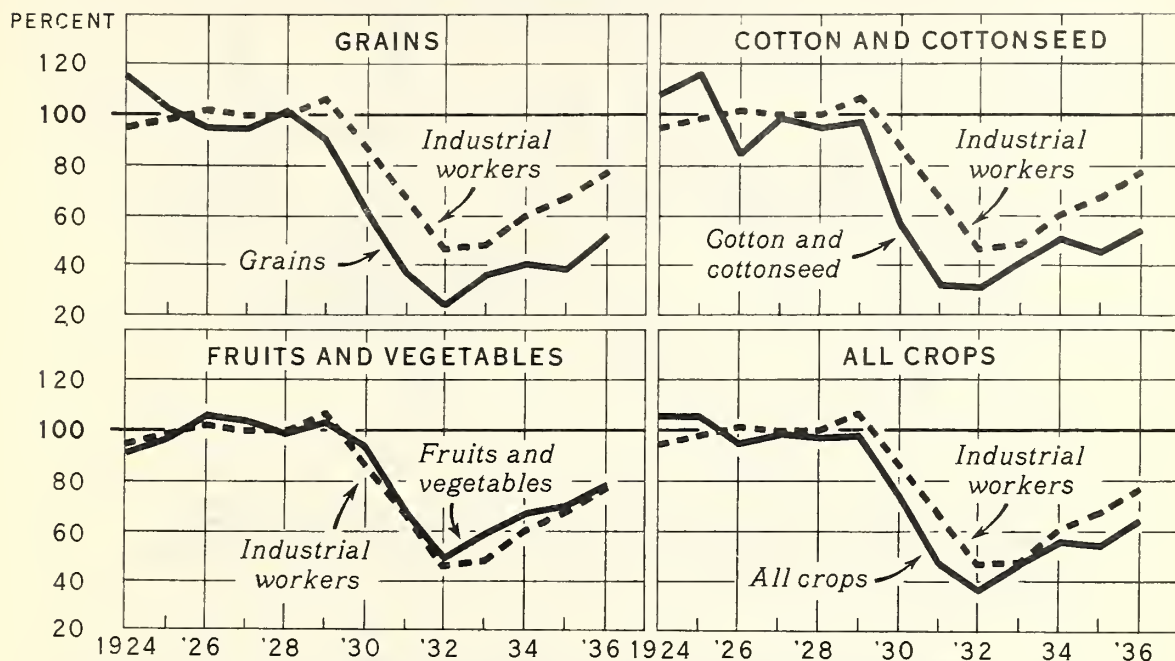
Index numbers (1924-29 = 100)

Year	Meat animals	Dairy products	Poultry and eggs	All livestock and products	Industrial workers
1924	87.5	89.0	84.0	87.5	95
1925	103.5	94.0	95.5	98.5	99
1926	105.5	96.5	104.5	102.5	101
1927	96.5	101.5	95.5	98.5	100
1928	101.5	108.5	107.5	105.0	100
1929	105.5	111.0	112.5	108.5	106
1930	91.5	98.5	96.0	93.5	87
1931	63.5	78.5	73.5	69.0	67
1932	41.0	59.5	54.0	49.0	46
1933	42.5	59.5	49.5	50.5	48
1934	50.5	68.5	59.5	58.5	60
1935	71.0	77.5	79.0	74.0	67
1936	88.5	85.5	78.5	85.5	77
1937					
1938					
1939					

Bureau of Agricultural Economics. Data not published.

CASH FARM INCOME FROM CROPS, BY GROUPS, AND INCOME OF INDUSTRIAL WORKERS, 1924-36

INDEX NUMBERS (1924-29=100)



Farmers' income from the sale of some crops such as grains and cotton is not so closely related to the income of industrial workers as is the income from livestock, fruits and vegetables. This is due to a number of conditions, among which are the influence of industrial activity on manufacturers' demand for raw materials such as cotton, the influence of international conditions on the prices of these commodities, and the effect of changes in carry-over of relatively nonperishable farm products from one season to another.

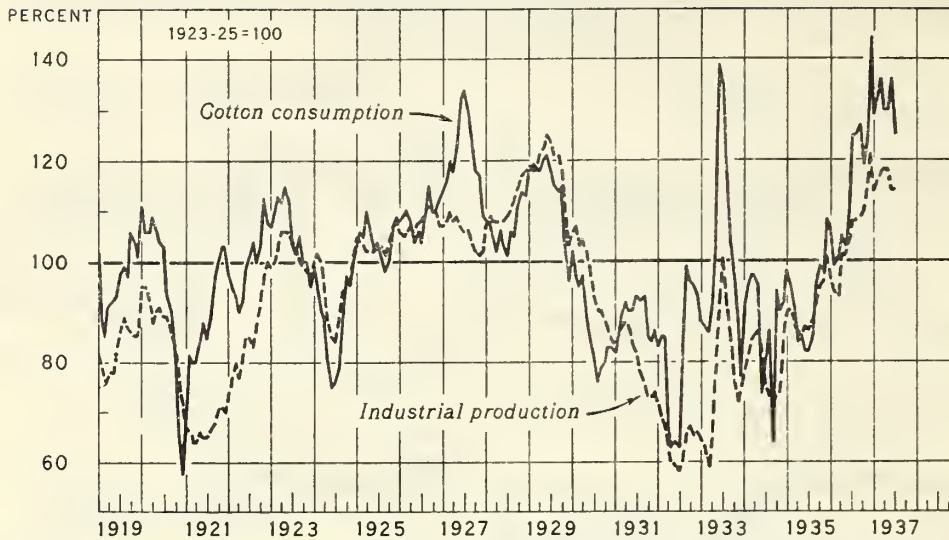
Neg. 27014

Cash farm income from crops, by groups, and income of industrial workers, 1924 -

Index numbers (1924-29 = 100)

Year	Grains	Cotton and cottonseed	Fruits and vegetables	All crops	Industrial workers
1924	115.5	107.5	91.5	105.0	95
1925	102.5	115.5	97.5	105.0	99
1926	95.5	85.0	105.5	95.0	101
1927	95.0	99.5	103.5	99.0	100
1928	101.0	95.0	99.5	98.0	100
1929	91.0	97.5	103.0	98.5	106
1930	61.5	56.5	94.0	73.5	87
1931	37.0	32.0	68.0	47.5	67
1932	24.0	31.0	49.5	36.5	46
1933	36.5	41.0	59.0	47.0	48
1934	40.5	50.5	67.0	56.0	60
1935	38.5	45.0	70.0	54.5	67
1936	52.0	53.5	78.5	64.0	77
1937					
1938					
1939					

COTTON CONSUMPTION AND INDUSTRIAL PRODUCTION IN THE UNITED STATES, 1919 TO DATE



The mill consumption of cotton is closely associated with changes in industrial activity. Sometimes, as in 1921, 1926, and 1932, the price of cotton falls so low as to act as a stimulus to consumption in spite of opposing tendencies in general industry, but a readjustment of cotton prices usually tends to bring consumption into alignment with industrial production. Neg. 20570

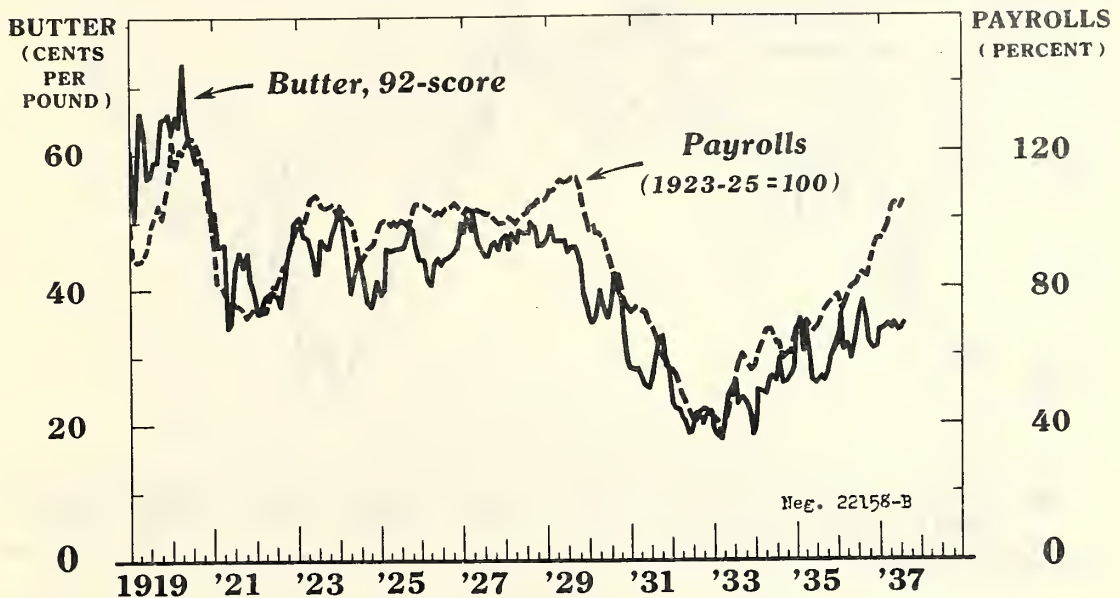
Cotton consumption and industrial production, United States, by months, 1919 -
Index numbers (1923-25 = 100), adjusted for seasonal variation

Year	Cotton consumption											
	Jan.	Feb.	Mar.	Apr.	May	June	July	Aug.	Sept.	Oct.	Nov.	Dec.
1919	102	89	85	91	92	93	98	99	97	106	104	101
1920	111	106	106	109	106	104	103	94	90	82	66	58
1921	71	81	80	80	84	88	85	89	97	100	103	103
1922	98	95	93	90	92	98	101	104	100	103	112	108
1923	107	110	113	112	115	112	104	102	105	100	100	95
1924	99	94	90	88	80	75	76	79	89	97	95	100
1925	104	106	105	110	107	102	104	101	98	100	107	108
1926	108	109	110	108	104	106	104	109	116	110	110	112
1927	114	116	120	118	123	132	134	130	125	118	117	109
1928	108	108	105	102	106	103	101	106	105	111	114	113
1929	118	118	119	118	120	121	118	116	114	115	104	96
1930	102	97	95	97	88	84	81	76	79	80	83	83
1931	82	86	89	92	90	90	93	92	93	85	84	86
1932	83	85	85	88	63	64	63	82	99	96	95	93
1933	88	87	86	91	113	139	135	120	103	95	89	77
1934	91	95	97	97	95	74	79	86	64	94	90	92
1935	98	95	90	84	85	82	82	85	95	99	98	108
1936	106	99	100	105	103	111	124	125	127	119	123	144
1937	129	132	136	130	130	136	125					
Year	Industrial production											
	Jan.	Feb.	Mar.	Apr.	May	June	July	Aug.	Sept.	Oct.	Nov.	Dec.
1919	82	79	76	78	78	83	87	89	87	86	85	86
1920	95	95	93	88	90	91	89	89	86	83	76	72
1921	67	66	64	64	66	65	65	67	68	71	71	70
1922	73	76	80	77	81	85	85	83	88	93	97	100
1923	99	100	103	106	106	106	104	103	100	99	95	97
1924	100	102	100	95	89	85	84	89	94	95	97	101
1925	105	104	103	102	102	102	103	103	101	104	107	109
1926	106	105	106	107	106	108	108	110	111	111	110	107
1927	107	108	110	108	109	107	106	106	104	102	101	102
1928	107	109	108	108	108	108	109	110	113	115	117	118
1929	119	118	118	121	122	125	124	121	121	118	110	103
1930	106	107	103	104	102	98	93	90	90	88	86	84
1931	83	86	87	88	87	83	82	78	76	73	73	74
1932	72	69	67	63	60	59	58	60	66	67	65	66
1933	65	63	59	66	78	91	100	91	84	76	72	75
1934	78	81	84	86	86	84	76	73	71	74	75	86
1935	91	89	88	86	85	86	86	87	90	95	97	104
1936	98	94	93	100	101	103	107	108	109	110	114	121
1937	114	116	118	118	118	114	114					

Bureau of Agricultural Economics. Data published monthly in Federal Reserve Bulletin, and industrial production also published monthly in the Demand and Price Situation.
Compiled from Federal Reserve Bulletins.

Price of Butter at New York and Index Numbers of Payrolls in Manufacturing Industries, 1919 to Date

ADJUSTED FOR SEASONAL VARIATION



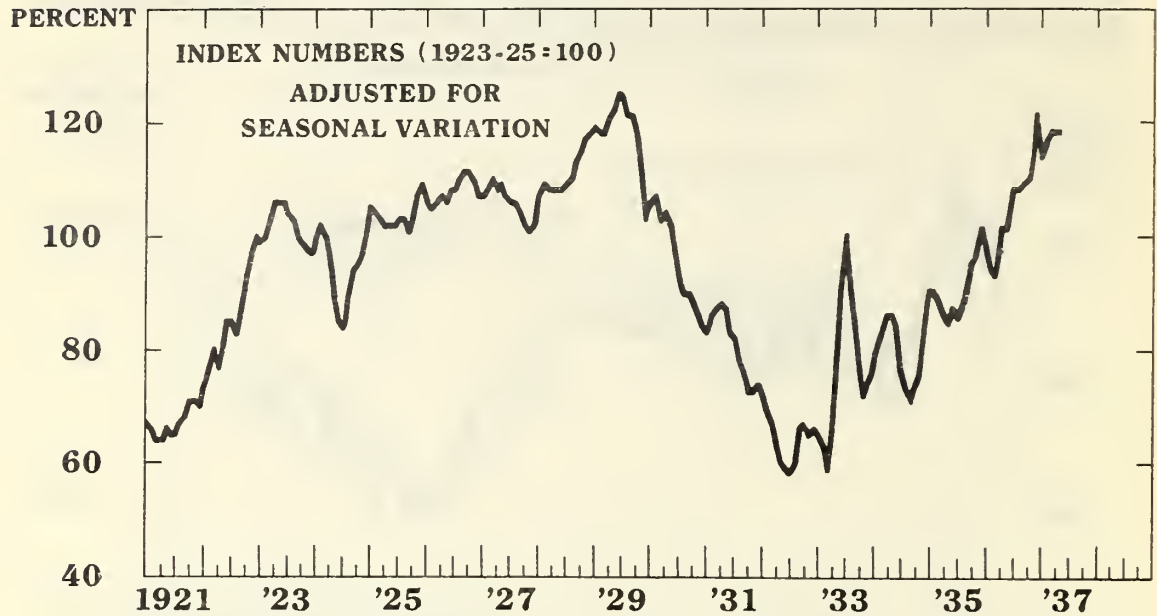
The relationship between changes in factory payrolls and the prices of many farm products is illustrated by the very similar movement of butter prices and factory payrolls.

Butter, 92 score: Price per pound at New York, by months, 1919 -
(Adjusted for seasonal variation)

Year	Jan.	Feb.	Mar.	Apr.	May	June	July	Aug.	Sept.	Oct.	Nov.	Dec.
	Cents	Cents	Cents	Cents	Cents	Cents	Cents	Cents	Cents	Cents	Cents	Cents
1919	60.7	50.8	59.6	66.2	62.6	56.5	56.9	58.8	58.9	65.2	65.3	66.0
1920	63.4	65.4	64.1	73.3	65.9	62.1	60.8	58.9	59.3	58.1	57.9	49.9
1921	51.5	46.3	46.3	46.8	34.3	35.5	43.3	45.5	43.1	45.4	41.2	39.9
1922	36.8	36.5	37.1	38.7	39.6	39.7	38.8	37.7	41.0	44.4	46.5	49.4
1923	50.7	48.9	47.6	47.3	45.1	42.1	42.3	46.9	46.0	46.0	48.2	49.8
1924	52.0	49.6	45.1	39.5	41.8	44.9	42.9	40.9	37.9	37.5	39.4	40.8
1925	39.2	40.0	45.8	45.7	45.8	45.9	46.0	46.2	48.2	49.1	46.5	44.8
1926	44.1	44.1	41.3	40.5	43.9	44.5	43.5	44.5	44.6	45.3	46.4	49.8
1927	48.3	50.5	48.5	51.6	46.8	45.9	44.7	44.6	46.5	46.7	45.6	47.3
1928	47.9	45.7	47.7	46.7	48.3	47.7	48.2	49.9	48.8	46.1	46.4	46.0
1929	47.0	49.0	46.7	46.6	46.8	47.0	45.5	46.2	46.2	44.0	39.1	37.4
1930	35.9	35.0	36.0	39.5	37.4	35.6	37.8	41.4	39.8	38.6	33.1	29.3
1931	28.0	27.9	27.9	26.8	25.5	25.2	26.8	29.9	32.5	32.6	28.3	27.8
1932	23.2	22.1	21.8	20.6	20.2	18.4	19.5	21.6	20.8	20.0	21.4	21.9
1933	19.4	18.4	17.6	21.3	24.2	24.6	26.3	22.7	23.6	23.2	21.6	18.3
1934	19.5	24.9	24.5	24.3	26.3	26.9	26.3	29.1	25.8	26.0	26.9	28.1
1935	33.6	35.5	30.6	35.4	29.4	26.2	25.6	26.6	26.1	27.1	29.6	31.0
1936	34.0	36.2	31.1	31.8	29.6	32.1	36.1	37.8	35.0	31.8	30.8	31.1
1937	33.6	33.7	34.6	33.8	34.7	33.4	33.9	34.9				
1938												

Bureau of Agricultural Economics. Data for adjusted butter prices have never been published. Index numbers of payrolls in manufacturing industries published by Bureau of Labor Statistics have been adjusted for seasonal variation by Bureau of Agricultural Economics.

Industrial Production, United States, 1921 to Date



U S DEPARTMENT OF AGRICULTURE

NEG. 31733-B BUREAU OF AGRICULTURAL ECONOMICS

Industrial production, after a sharp but irregular advance from early 1933 through 1936, maintained a relatively steady pace in 1937 at a level about 15 percent higher than the 1936 average but slightly under the peak reached in December 1936.

Industrial production in the United States, by months, 1921 -

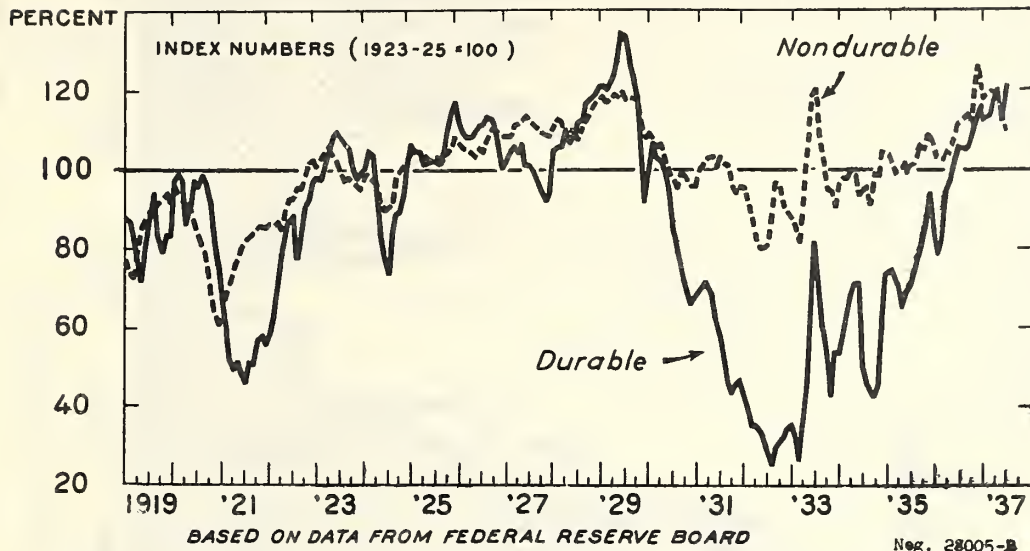
Index numbers (1923-25 = 100), adjusted for seasonal variation

Year	Jan.	Feb.	Mar.	Apr.	May	June	July	Aug.	Sept.	Oct.	Nov.	Dec.
1921	67	66	64	64	66	65	65	67	68	71	71	70
1922	73	76	80	77	81	85	85	83	88	93	97	100
1923	99	100	103	106	106	106	104	103	100	99	98	97
1924	100	102	100	95	89	85	84	89	94	95	97	101
1925	105	104	103	102	102	102	103	103	101	104	107	109
1926	106	105	106	107	106	108	108	110	111	111	110	107
1927	107	108	110	108	109	107	106	106	104	102	101	102
1928	107	109	108	108	108	108	109	110	113	115	117	118
1929	119	118	118	121	122	125	124	121	121	118	110	103
1930	106	107	103	104	102	98	93	90	90	88	86	84
1931	83	86	87	88	87	83	82	78	76	73	73	74
1932	72	69	67	63	60	59	58	60	66	67	65	66
1933	65	63	59	66	78	91	100	91	84	76	72	75
1934	78	81	84	86	86	84	76	73	71	74	75	86
1935	90	90	88	86	85	87	86	88	91	95	96	101
1936	97	94	93	101	101	104	108	108	109	110	114	121
1937	114	116	118	118	118	114	114					
1938												
1939												

Bureau of Agricultural Economics.

Current data published monthly in Federal Reserve Bulletin and The Demand and Price Situation.

Industrial Production of Durable and Nondurable Products, 1919 to Date



Much of the decrease in industrial production during the depression was in the industries producing durable goods. In the recovery which began early in 1933 the production of nondurable goods quickly returned to approximately pre-depression levels. The durable goods industries, while experiencing considerable improvement, operated at levels much below normal until 1936. The sharp increase in the output of factories making durable goods in 1936 and 1937 was largely responsible for raising industrial production to a level somewhat above the 1923-25 average.

Industrial production of durable and nondurable products, by months, 1919-
Index numbers (1923-25 = 100) Adjusted for seasonal variation

Year	Durable 1/											
	Jan.	Feb.	Mar.	Apr.	May	June	July	Aug.	Sept.	Oct.	Nov.	Dec.
1919	87.9	87.2	82.2	77.9	71.9	81.5	89.0	94.0	83.3	79.0	83.3	83.7
1920	97.2	99.3	97.5	86.5	91.8	97.2	95.4	98.6	96.8	92.5	82.2	76.5
1921	64.1	59.1	51.6	49.1	51.2	48.4	45.9	50.9	50.3	56.9	58.0	55.9
1922	58.4	62.6	68.7	78.3	82.6	86.8	88.3	77.9	81.5	90.4	92.9	97.5
1923	98.2	97.5	101.4	105.7	108.5	109.3	108.2	106.4	105.3	100.0	97.5	98.9
1924	100.0	104.6	103.9	94.7	82.9	76.5	73.7	84.7	88.6	89.3	93.2	100.4
1925	106.4	104.6	104.6	101.1	101.4	101.3	102.1	101.1	103.9	109.6	114.2	116.7
1926	111.7	109.3	108.2	108.2	109.6	111.0	111.4	113.5	113.2	111.7	106.8	100.0
1927	101.8	104.6	105.7	103.9	106.4	101.1	100.7	99.3	96.8	94.0	91.8	94.0
1928	104.3	105.7	105.7	110.0	106.4	108.2	111.7	112.5	116.7	117.8	118.9	120.6
1929	121.0	119.9	122.4	123.8	128.1	134.5	133.8	127.4	124.2	113.9	106.4	91.8
1930	99.6	106.8	102.8	102.1	99.6	95.4	85.4	80.8	75.9	71.5	69.0	66.2
1931	68.3	69.8	71.9	70.5	68.3	61.6	58.0	51.2	45.6	43.1	45.6	46.3
1932	42.7	39.9	35.2	34.9	33.5	32.7	28.8	25.3	29.2	31.0	32.4	34.5
1933	35.2	32.4	26.7	35.6	45.9	63.0	81.1	70.1	59.4	53.0	42.7	53.4
1934	53.4	58.7	64.1	68.3	71.2	71.2	50.5	45.2	43.1	42.3	45.2	62.3
1935	73.7	74.4	72.2	70.8	65.1	68.3	70.5	76.2	79.4	82.9	88.6	94.0
1936	84.0	73.6	81.9	94.3	97.5	101.8	106.4	105.3	105.7	108.9	111.7	116.0
1937	112.1	113.2	113.5	117.1	119.9	112.1	121.4					
Year	Nondurable 2/											
	Jan.	Feb.	Mar.	Apr.	May	June	July	Aug.	Sept.	Oct.	Nov.	Dec.
1919	77.2	74.5	73.8	79.7	84.9	87.1	89.5	89.2	92.0	92.9	94.5	92.9
1920	96.0	94.2	92.9	91.1	91.7	87.1	83.4	80.9	78.2	72.9	65.2	60.6
1921	65.2	68.3	72.0	75.1	77.2	80.3	82.2	82.8	84.0	85.8	85.5	85.2
1922	86.5	86.2	87.1	84.9	89.5	92.9	92.9	95.7	95.7	97.5	102.2	102.8
1923	100.6	103.1	104.9	106.2	103.7	102.8	98.8	97.2	97.5	96.6	96.0	94.8
1924	93.8	98.8	97.2	96.0	92.0	89.5	89.8	92.0	97.2	99.7	100.9	102.8
1925	104.6	105.2	104.0	104.0	102.5	102.2	103.4	103.1	102.2	104.0	104.9	108.0
1926	106.8	105.5	105.2	104.3	103.1	105.2	104.3	107.4	109.8	110.8	109.5	108.3
1927	108.6	108.3	111.1	111.4	112.3	113.8	112.9	111.1	110.8	109.2	108.9	108.6
1928	110.8	112.9	112.6	108.0	109.8	109.8	107.7	110.2	112.0	113.8	116.3	117.8
1929	118.2	116.6	117.2	119.1	118.2	119.7	117.5	118.2	117.8	118.2	116.6	107.7
1930	109.2	107.7	105.8	106.5	102.8	99.1	97.8	95.1	98.8	98.8	97.8	95.7
1931	95.7	100.0	100.9	102.8	103.4	100.3	103.1	101.2	101.2	95.7	93.8	95.4
1932	95.7	92.6	89.5	83.4	80.0	80.0	80.9	88.6	96.6	95.4	90.5	89.5
1933	88.0	85.8	81.2	91.4	104.6	118.2	120.0	109.5	104.3	95.1	94.5	90.5
1934	96.3	97.8	97.5	99.4	98.8	93.2	94.5	95.7	91.4	98.5	98.2	104.6
1935	103.7	100.8	99.1	99.7	100.9	99.1	100.3	100.6	102.8	105.8	104.3	107.7
1936	106.8	102.8	102.2	104.3	104.0	107.4	112.0	113.5	113.8	112.0	116.9	125.8
1937	117.2	118.8	119.7	119.4	116.3	115.1	109.8					

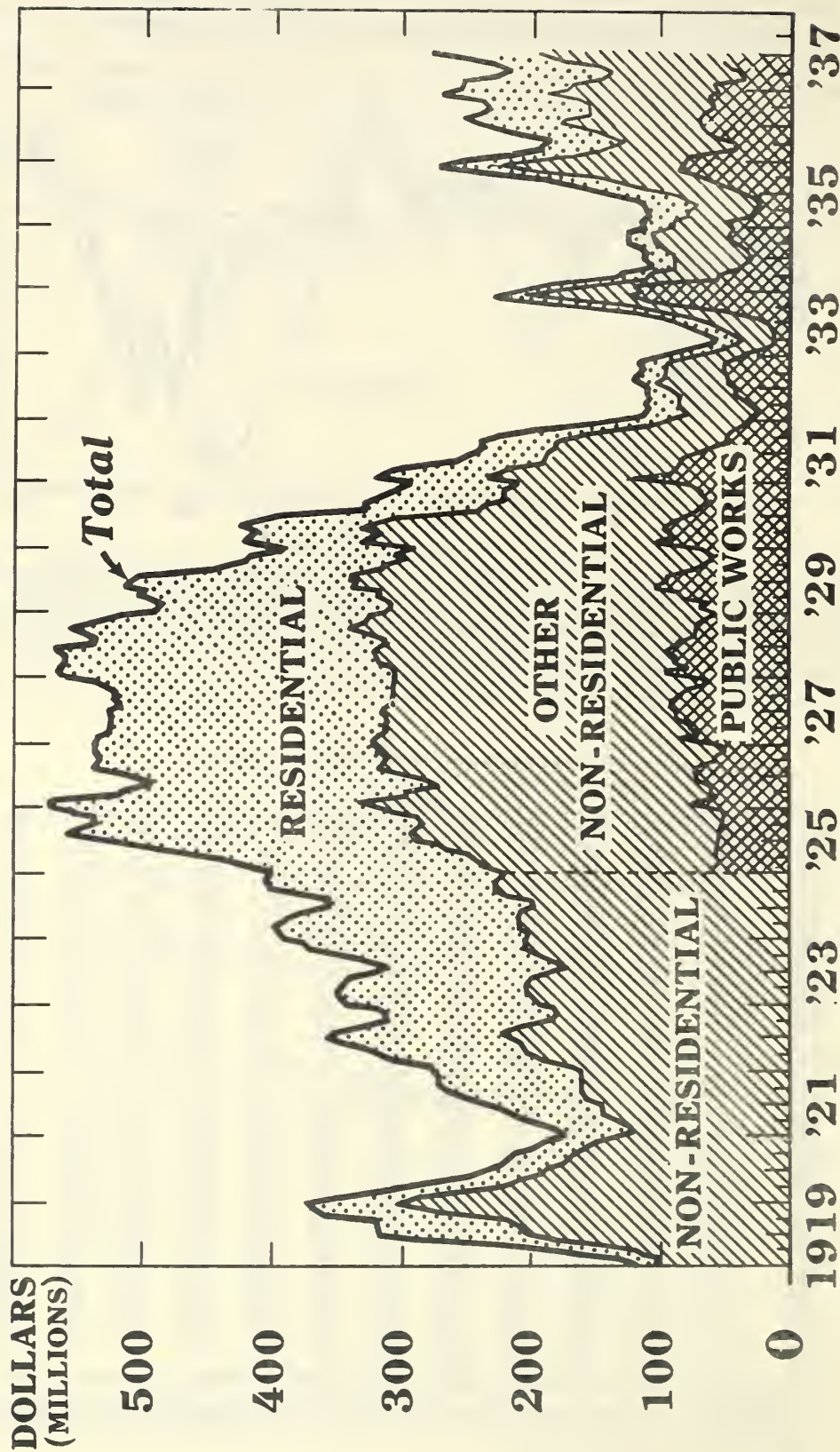
Bureau of Agricultural Economics. Data not published. Based on data furnished by Board of Governors of the Federal Reserve System.

1/ Includes iron and steel, coke, nonferrous metals, lumber, cement, polished plate glass, automobiles, locomotives, and shipbuilding. 2/ Includes textiles, leather products, foods, tobacco, and other manufactures not in "durable" group.

Figures on copper are excluded throughout.

Construction Contracts Awarded, 1919 to Date*

3-MONTHS MOVING AVERAGES ADJUSTED FOR SEASONAL VARIATION



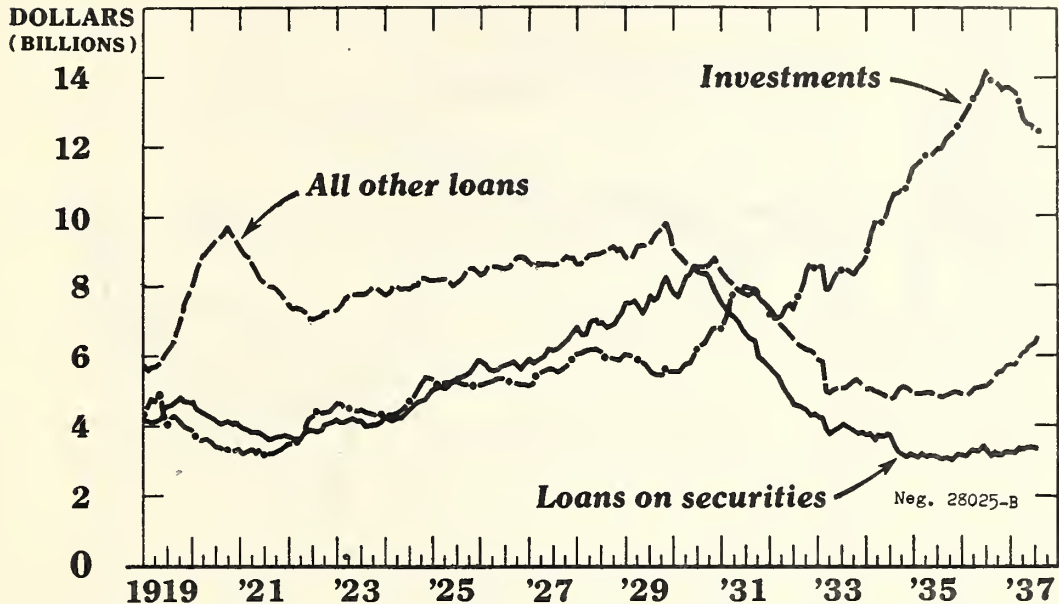
* VALUE OF CONTRACTS AWARDED IN 37 STATES

U. S. DEPARTMENT OF AGRICULTURE

NEG. 31779-B BUREAU OF AGRICULTURAL ECONOMICS

Construction contracts awarded have recovered considerably from the record low reached in 1933, but they are still low compared with the pre-depression level and with activity in other industries.

Loans and Investments: Weekly Reporting Member Banks, Jan. 1919 to Date



Expansion in bank credit from 1933 to 1936 was due largely to bank purchases of investments, primarily new government securities. The purchase of such securities provided the Federal government with funds to meet its current expenditures. Payments by the Federal government for such expenditures were promptly deposited at commercial banks. The deposit of these government payments, together with gold imports, was the major factor in increasing net demand deposits of member banks during that period. Since the end of 1936, commercial banks have been selling investments but commercial loans have expanded in an amount which nearly offsets such increase in investment holdings.

Loans and Investments: Weekly Reporting
Member Banks, Jan. 1919 to date

Year	All other loans												Loans on securities											
	Jan.	Feb.	Mar.	Apr.	May	June	July	Aug.	Sept.	Oct.	Nov.	Dec.	Jan.	Feb.	Mar.	Apr.	May	June	July	Aug.	Sept.	Oct.	Nov.	Dec.
1919	57401	56211	56891	57171	58211	60481	62001	63461	65211	70191	74651	77101	41251	41441	41361	41291	42051	46081	46061	46281	47611	48221	47281	47031
1920	80061	83841	87881	89541	90901	91771	93261	94311	95801	97411	99071	99371	47371	45041	44941	43901	43031	42491	41811	40871	41111	41551	40721	41111
1921	91311	89671	86941	86571	84301	82321	81131	80181	80051	79471	77731	76551	40361	39611	39211	38491	38421	38051	37401	36701	36671	37171	37211	37651
1922	74931	73591	73931	73451	72191	71151	70641	70801	71581	72821	72971	73221	37111	36661	36411	36571	36251	35991	35951	35821	35081	34061	34031	34121
1923	73661	74771	76801	77461	77811	77481	77611	77381	79031	79771	79201	78431	41941	41191	41161	41731	42201	41571	41501	39941	40281	40521	40561	41421
1924	77761	78311	79591	79941	79511	79391	79211	80121	80791	82291	82291	81701	44521	41731	41811	42181	42211	43101	44791	45821	46751	47261	47401	49171
1925	81701	81761	81381	81391	81371	80851	81031	81401	83491	85001	84451	84051	50081	50961	51221	50981	51671	52891	53701	54471	55961	56911	56431	
1926	83261	83731	85211	85641	85681	85411	84981	85421	86521	88141	88541	88071	56741	57671	56521	55761	55921	56331	57431	57711	58471	57411	56331	57711
1927	86231	85661	86701	86341	86491	86281	85901	86241	87681	88551	88141	87201	59151	57801	58671	59301	60171	62201	61911	62011	62981	64031	64921	66761
1928	86311	86171	87841	88801	88841	89091	89371	90091	90591	91301	90141	90591	66111	66061	65861	66241	70751	69621	69591	68161	68401	68741	70821	71981
1929	87941	87371	89111	90731	90991	91491	92341	93901	95431	96061	97921	94761	75061	75221	75801	73921	72181	73321	77161	75761	76591	60961	62491	79661
1930	90271	88711	87811	86311	85131	84871	85151	84881	84761	85971	87761	85571	77941	76711	79641	82701	83121	85601	83911	83491	83831	82371	78971	77741
1931	89001	82431	81501	80401	78941	78531	78641	79001	78701	76791	75861	74411	74551	73021	71571	69581	67701	66311	64831	64131	59711	58991	57631	
1932	73311	72141	69871	68201	67771	66091	64951	63191	62291	61641	61201	60211	56441	54971	53881	51501	49751	48111	46161	44761	44504	44371	42801	43191
1933	59031	58181	49831	49221	50141	50501	50751	50881	51561	52731	53181	51881	42241	42171	39331	37491	36661	39361	40281	39701	39251	38421	37741	37361
1934	50581	50301	49801	49651	48701	48211	47691	48481	50601	51211	50651	49921	37431	37041	37301	37571	37261	37011	34931	34241	31741	31181	32041	
1935	49031	49181	49371	49581	49331	48991	48121	47781	48581	49261	49681	49821	31581	31061	32031	31291	31501	31331	31311	30691	30721	30371	30421	32021
1936	49101	48461	49561	50661	50921	51271	51311	52171	53981	55301	55751	57481	31701	31321	32671	32981	32531	34041	32431	31481	32301	31681	31801	32821
1937	57631	57441	59361	60771	61391	62981	63661	65641					32351	32361	33481	33221	33381	33991	33771	33501				
1938																								
1939																								

Year	Investments											
	Jan.	Feb.	Mar.	Apr.	May	June	July	Aug.	Sept.	Oct.	Nov.	Dec.
1919	43031	49421	48031	47631	49101	47631	40571	42901	42851	41101	40001	39751
1920	39391	37641	36111	36391	36401	35461	34141	33901	33661	32961	32901	33081
1921	32801	32471	32811	32731	32381	32381	32131	32321	32291	32781	33431	34211
1922	34631	36631	35831	36861	39231	42181	42951	44311	43791	43901	44161	44611
1923	46731	46291	46221	46231	44451	45221	44921	44091	43921	43121	43331	
1924	43331	43151	43061	43521	44449	46571	47311	48511	50321	52621	53891	53781
1925	53231	52061	52041	52581	52331	52661	52481	52171	51811	51211	51511	51651
1926	51581	51821	52441	52521	53421	53621	53201	52811	52771	52271	51861	51651
1927	51481	52121	52531	52041	52081	52581	52431	52311	52471	52601	52081	52321
1928	60521	60911	61331	61401	61681	61931	61141	60921	59731	59341	58881	59361
1929	60211	60041	59811	59241	58361	57511	55291	54961	54491	54181	54231	55671
1930	59481	59411	59051	57561	58371	59771	61941	62821	63611	65751	67821	67441
1931	67641	71021	73471	77451	78221	78461	77381	77131	77591	77161	77461	75451
1932	72031	70641	70591	71261	74401	74571	73481	76301	79861	84211	85471	85001
1933	85391	84961	87841	79251	82161	84301	84571	84361	84011	83481	85381	850051
1934	87321	95391	96451	98371	98041	100811	104901	106241	106961	107611	108061	111491
1935	114281	114501	116211	117731	117311	118591	119661	119781	122561	123921	124801	125851
1936	128481	130721	132221	133641	134771	138781	141101	139321	138921	138481	136891	137301
1937	137361	136181	133241	128811	126781	126331	124761	124031				
1938												
1939												

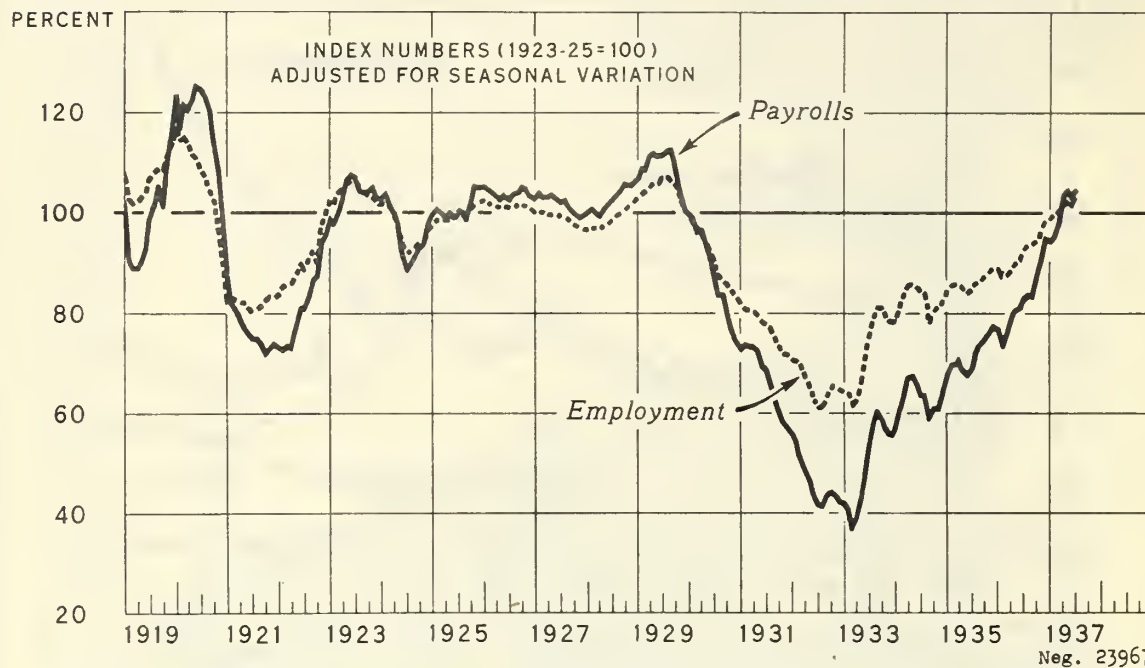
1/ Beginning with September 1934 data on "all other loans" and "loans on securities" differ slightly from that previously published.

2/ Method of reporting loans changed and subsequent figures are slightly larger for "loans on securities" and slightly smaller for "all other loans" as compared with previous base of reporting.

Bureau of Agricultural Economics.

Data from the Annual Reports of the Board of Governors of the Federal Reserve System and monthly Federal Reserve Bulletins.

EMPLOYMENT AND PAYROLLS IN MANUFACTURING INDUSTRIES, 1919 TO DATE



The trend of industrial employment and payrolls is similar to that of industrial production. Higher wage rates and longer hours have contributed to the marked increase in payrolls during 1937.

Employment in manufacturing industries, United States, by months, 1919 -

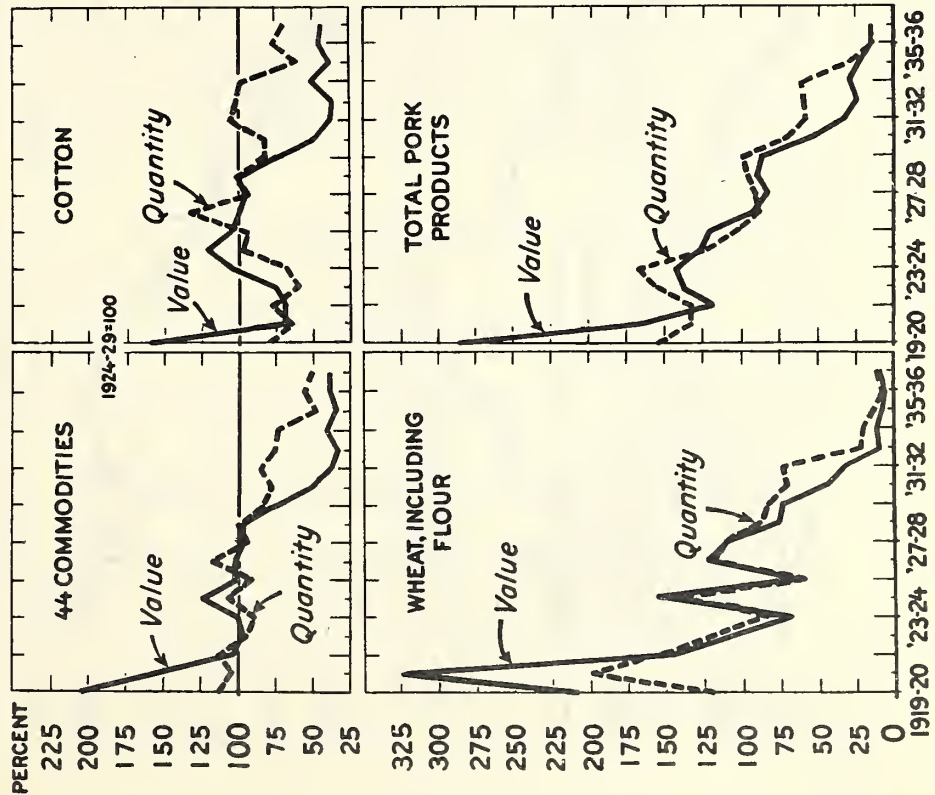
Index numbers (1923-25 = 100) adjusted for seasonal variation

Year	Jan.	Feb.	Mar.	Apr.	May	June	July	Aug.	Sept.	Oct.	Nov.	Dec.
1919	107.0	102.8	101.5	101.9	102.9	104.0	106.7	107.9	108.8	108.6	111.1	113.8
1920	116.6	114.5	115.1	113.9	111.6	110.7	108.2	107.0	104.7	101.5	96.2	89.4
1921	82.2	83.1	82.6	81.9	81.9	81.2	80.1	80.6	81.7	82.4	83.4	83.1
1922	83.9	85.1	85.5	85.7	88.0	89.8	88.3	90.3	92.3	95.1	97.7	99.7
1923	102.3	102.9	104.0	104.7	105.6	106.6	106.1	105.2	104.2	103.2	102.9	101.7
1924	101.4	101.5	100.9	99.6	97.0	94.4	92.1	92.2	92.9	93.9	94.4	96.4
1925	97.7	98.3	98.4	98.6	98.6	98.9	99.4	99.6	99.8	100.7	101.7	102.1
1926	102.2	101.9	101.6	101.2	100.9	101.1	100.8	101.2	101.6	101.4	101.1	100.6
1927	99.9	100.0	99.9	99.6	99.4	99.7	99.2	98.9	98.4	97.7	97.1	96.6
1928	96.7	96.9	97.1	96.9	97.3	97.9	98.4	99.4	99.8	100.4	101.4	102.0
1929	103.0	103.6	104.2	105.2	105.4	105.7	106.9	107.0	106.0	105.3	103.1	100.6
1930	99.4	97.8	96.7	95.8	94.4	92.8	90.1	88.0	86.8	85.7	84.4	83.0
1931	81.7	80.8	80.5	80.2	79.7	78.3	77.8	76.7	75.1	73.1	71.8	71.7
1932	71.0	70.6	69.1	66.9	64.6	62.8	61.1	61.6	63.4	64.9	65.4	64.8
1933	64.2	64.1	61.4	62.7	65.9	70.7	76.1	79.4	81.2	81.2	79.5	78.2
1934	78.3	81.4	84.0	85.4	85.9	85.2	83.4	83.0	78.1	80.8	80.8	82.3
1935	84.1	85.3	85.7	85.6	84.6	83.7	85.0	86.1	86.3	87.3	88.1	88.7
1936	88.8	87.4	87.7	88.6	89.8	90.4	92.8	93.4	93.8	94.4	96.2	98.6
1937	98.8	99.7	100.9	101.6	102.2	101.4	103.3					
1938												

Bureau of Agricultural Economics. Data compiled by Bureau of Labor Statistics, and adjusted for seasonal variation by Federal Reserve Board and published in Federal Reserve Bulletin. Index numbers of payrolls in manufacturing industries published by Bureau of Labor Statistics have been adjusted for seasonal variation by the Bureau of Agricultural Economics.

U.S. Exports of Farm Products, 1919-20 to Date

United States exports of farm products, 1919-20 to date
Index numbers (1924-29 = 100)



Year beginning July	44 commodities		Cotton		Wheat, including flour		Total pork products	
	Quan- tity	Value	Quan- tity	Value	Quan- tity	Value	Quan- tity	Value
1919-20	113.4	203.2	81.3	159.3	119.9	209.3	153.7	286.6
1920-21	106.5	142.9	64.5	69.2	199.4	323.2	132.7	165.4
1921-22	112.9	103.9	77.1	68.7	152.6	144.3	132.2	118.4
1922-23	94.0	97.3	60.3	76.0	121.4	105.7	156.5	138.0
1923-24	89.0	100.9	67.7	104.2	86.3	67.3	168.6	142.5
1924-25	107.2	124.1	96.8	122.3	140.8	154.8	122.1	126.8
1925-26	91.7	101.4	94.2	105.8	58.3	64.1	102.3	120.1
1926-27	118.4	101.9	132.6	99.9	118.4	121.8	88.3	93.3
1927-28	96.3	96.5	93.1	94.6	111.4	110.3	91.2	82.7
1928-29	101.4	97.7	100.2	100.1	88.4	75.5	96.9	89.9
1929-30	84.9	78.3	83.0	77.4	82.7	73.4	99.3	87.2
1930-31	79.1	53.7	82.4	48.9	71.0	45.3	69.0	54.8
1931-32	86.3	38.9	104.8	39.1	73.3	32.2	59.3	30.2
1932-33	75.2	30.7	101.7	37.4	22.2	9.6	59.8	24.6
1933-34	74.5	41.3	98.4	51.0	20.0	10.1	61.6	28.5
1934-35	48.7	34.4	61.1	38.4	11.6	7.2	30.9	21.8
1935-36	56.4	39.0	76.9	46.0	8.6	6.0	13.8	14.5
1936-37	51.1	39.0	99.5	44.1	11.7	9.3	14.5	14.5
1937-38								
1938-39								

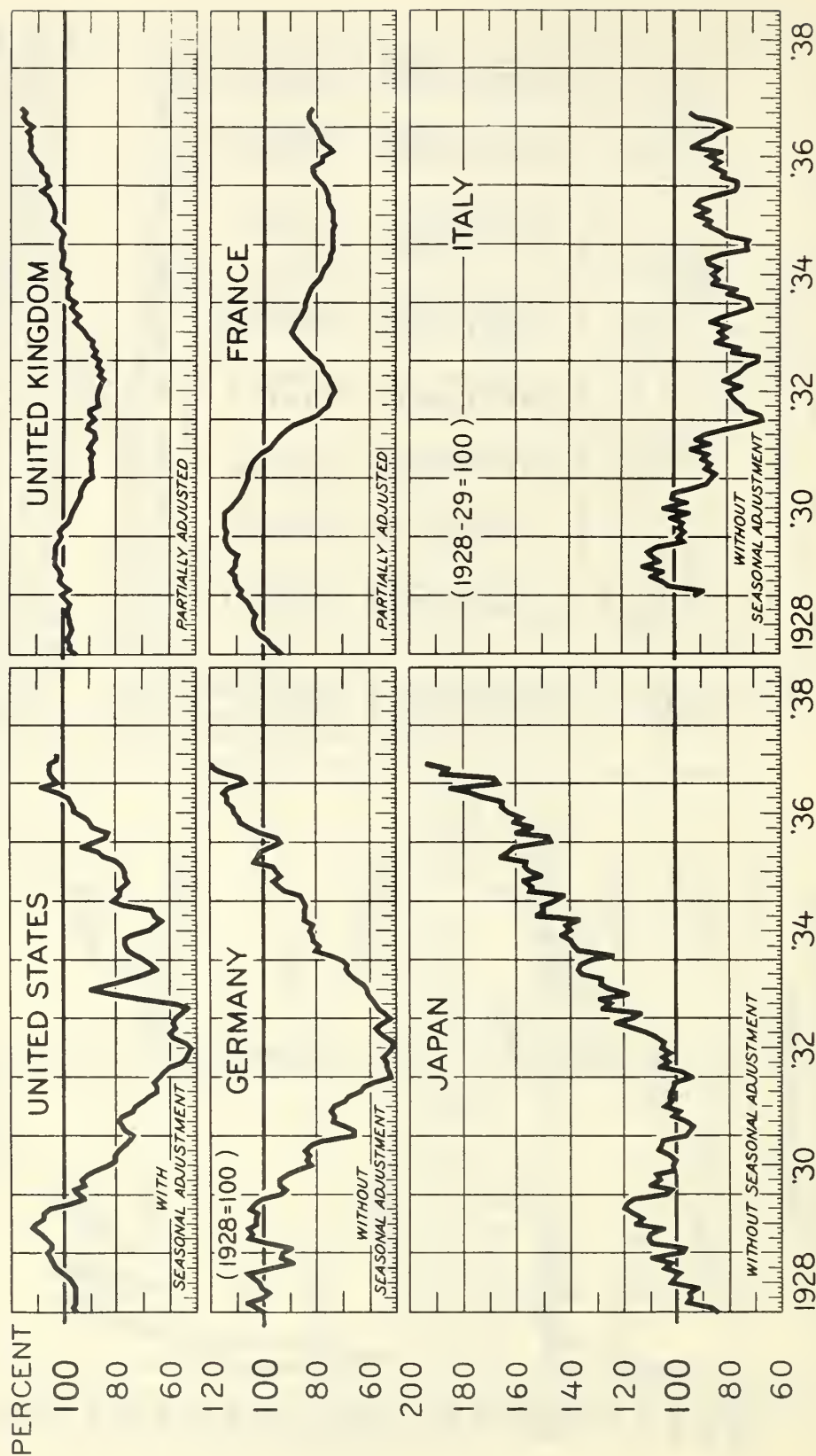
Bureau of Agricultural Economics. Data not published. Based on data from official records of Bureau of Foreign and Domestic Commerce, United States Department of Commerce.

Neg. 24331-B

The value and quantity of agricultural exports in recent years have not shown increase corresponding with the improvement in foreign economic conditions. This has been partly a result of short crops in the United States. More nearly normal production in this country will tend to increase exports, but foreign markets still are restricted relative to pre-depression years. Foreign economic conditions greatly affect the prices of some American farm products even though exports are small.

INDUSTRIAL PRODUCTION, UNITED STATES AND SELECTED FOREIGN COUNTRIES, 1928 TO DATE

INDEX NUMBERS (1927-29 = 100)



The extent of improvement in industrial production since the low point of the depression has varied greatly in different countries. In general, the improvement has been greatest in those countries which depreciated their currencies early in the depression or have engaged in special forms of governmental stimulus to industry.

Neg. 25959

Industrial production, United States and selected foreign countries by month, 1928-1935
Index numbers (1927-1-28 = 100)

Month	United States	Germany	Japan	United Kingdom	France	Italy
	1/2	1/2	1/2	1/2	1/2	1/2
Jan.	96	99.9	94.5	95.8	93.4	92.5
Feb.	97	100.1	95.6	97.4	95.0	93.1
Mar.	96	100.1	95.6	97.4	95.0	93.1
Apr.	96	100.1	95.6	97.4	95.0	93.1
May	96	100.1	95.6	97.4	95.0	93.1
June	96	100.1	95.6	97.4	95.0	93.1
July	97	101.8	97.1	103.8	103.8	97.1
Aug.	98	104.1	100.3	97.9	103.8	97.9
Sept.	101	106.3	98.9	98.4	103.8	98.4
Oct.	103	97.9	104.3	104.5	104.5	104.5
Nov.	104	88.8	102.4	97.9	105.3	105.3
Dec.	107	114	105.2	97.9	105.3	105.3
1928	95.8	99.9	94.5	95.8	93.4	92.5
1929	95.8	99.9	94.5	95.8	93.4	92.5
1930	95.8	99.9	94.5	95.8	93.4	92.5
1931	95.8	99.9	94.5	95.8	93.4	92.5
1932	95.8	99.9	94.5	95.8	93.4	92.5
1933	95.8	99.9	94.5	95.8	93.4	92.5
1934	95.8	99.9	94.5	95.8	93.4	92.5
1935	95.8	99.9	94.5	95.8	93.4	92.5
1936	95.8	99.9	94.5	95.8	93.4	92.5
1937	95.8	99.9	94.5	95.8	93.4	92.5
1938	95.8	99.9	94.5	95.8	93.4	92.5
1939	95.8	99.9	94.5	95.8	93.4	92.5
1940	95.8	99.9	94.5	95.8	93.4	92.5
1941	95.8	99.9	94.5	95.8	93.4	92.5
1942	95.8	99.9	94.5	95.8	93.4	92.5
1943	95.8	99.9	94.5	95.8	93.4	92.5
1944	95.8	99.9	94.5	95.8	93.4	92.5
1945	95.8	99.9	94.5	95.8	93.4	92.5
1946	95.8	99.9	94.5	95.8	93.4	92.5
1947	95.8	99.9	94.5	95.8	93.4	92.5
1948	95.8	99.9	94.5	95.8	93.4	92.5
1949	95.8	99.9	94.5	95.8	93.4	92.5
1950	95.8	99.9	94.5	95.8	93.4	92.5
1951	95.8	99.9	94.5	95.8	93.4	92.5
1952	95.8	99.9	94.5	95.8	93.4	92.5
1953	95.8	99.9	94.5	95.8	93.4	92.5
1954	95.8	99.9	94.5	95.8	93.4	92.5
1955	95.8	99.9	94.5	95.8	93.4	92.5
1956	95.8	99.9	94.5	95.8	93.4	92.5
1957	95.8	99.9	94.5	95.8	93.4	92.5
1958	95.8	99.9	94.5	95.8	93.4	92.5
1959	95.8	99.9	94.5	95.8	93.4	92.5
1960	95.8	99.9	94.5	95.8	93.4	92.5
1961	95.8	99.9	94.5	95.8	93.4	92.5
1962	95.8	99.9	94.5	95.8	93.4	92.5
1963	95.8	99.9	94.5	95.8	93.4	92.5
1964	95.8	99.9	94.5	95.8	93.4	92.5
1965	95.8	99.9	94.5	95.8	93.4	92.5
1966	95.8	99.9	94.5	95.8	93.4	92.5
1967	95.8	99.9	94.5	95.8	93.4	92.5
1968	95.8	99.9	94.5	95.8	93.4	92.5
1969	95.8	99.9	94.5	95.8	93.4	92.5
1970	95.8	99.9	94.5	95.8	93.4	92.5
1971	95.8	99.9	94.5	95.8	93.4	92.5
1972	95.8	99.9	94.5	95.8	93.4	92.5
1973	95.8	99.9	94.5	95.8	93.4	92.5
1974	95.8	99.9	94.5	95.8	93.4	92.5
1975	95.8	99.9	94.5	95.8	93.4	92.5
1976	95.8	99.9	94.5	95.8	93.4	92.5
1977	95.8	99.9	94.5	95.8	93.4	92.5
1978	95.8	99.9	94.5	95.8	93.4	92.5
1979	95.8	99.9	94.5	95.8	93.4	92.5
1980	95.8	99.9	94.5	95.8	93.4	92.5
1981	95.8	99.9	94.5	95.8	93.4	92.5
1982	95.8	99.9	94.5	95.8	93.4	92.5
1983	95.8	99.9	94.5	95.8	93.4	92.5
1984	95.8	99.9	94.5	95.8	93.4	92.5
1985	95.8	99.9	94.5	95.8	93.4	92.5
1986	95.8	99.9	94.5	95.8	93.4	92.5
1987	95.8	99.9	94.5	95.8	93.4	92.5
1988	95.8	99.9	94.5	95.8	93.4	92.5
1989	95.8	99.9	94.5	95.8	93.4	92.5
1990	95.8	99.9	94.5	95.8	93.4	92.5
1991	95.8	99.9	94.5	95.8	93.4	92.5
1992	95.8	99.9	94.5	95.8	93.4	92.5
1993	95.8	99.9	94.5	95.8	93.4	92.5
1994	95.8	99.9	94.5	95.8	93.4	92.5
1995	95.8	99.9	94.5	95.8	93.4	92.5
1996	95.8	99.9	94.5	95.8	93.4	92.5
1997	95.8	99.9	94.5	95.8	93.4	92.5
1998	95.8	99.9	94.5	95.8	93.4	92.5
1999	95.8	99.9	94.5	95.8	93.4	92.5
2000	95.8	99.9	94.5	95.8	93.4	92.5
2001	95.8	99.9	94.5	95.8	93.4	92.5
2002	95.8	99.9	94.5	95.8	93.4	92.5
2003	95.8	99.9	94.5	95.8	93.4	92.5
2004	95.8	99.9	94.5	95.8	93.4	92.5
2005	95.8	99.9	94.5	95.8	93.4	92.5
2006	95.8	99.9	94.5	95.8	93.4	92.5
2007	95.8	99.9	94.5	95.8	93.4	92.5
2008	95.8	99.9	94.5	95.8	93.4	92.5
2009	95.8	99.9	94.5	95.8	93.4	92.5
2010	95.8	99.9	94.5	95.8	93.4	92.5
2011	95.8	99.9	94.5	95.8	93.4	92.5
2012	95.8	99.9	94.5	95.8	93.4	92.5
2013	95.8	99.9	94.5	95.8	93.4	92.5
2014	95.8	99.9	94.5	95.8	93.4	92.5
2015	95.8	99.9	94.5	95.8	93.4	92.5
2016	95.8	99.9	94.5	95.8	93.4	92.5
2017	95.8	99.9	94.5	95.8	93.4	92.5
2018	95.8	99.9	94.5	95.8	93.4	92.5
2019	95.8	99.9	94.5	95.8	93.4	92.5
2020	95.8	99.9	94.5	95.8	93.4	92.5
2021	95.8	99.9	94.5	95.8	93.4	92.5
2022	95.8	99.9	94.5	95.8	93.4	92.5
2023	95.8	99.9	94.5	95.8	93.4	92.5
2024	95.8	99.9	94.5	95.8	93.4	92.5
2025	95.8	99.9	94.5	95.8	93.4	92.5
2026	95.8	99.9	94.5	95.8	93.4	92.5
2027	95.8	99.9	94.5	95.8	93.4	92.5
2028	95.8	99.9	94.5	95.8	93.4	92.5
2029	95.8	99.9	94.5	95.8	93.4	92.5
2030	95.8	99.9	94.5	95.8	93.4	92.5

Bureau of Agricultural Economics.

Current data are not published on the 1927-28 base.

Basic data compiled as follows:

United States - Federal Reserve Bulletin.

Germany - Federal Statistical Office.

Japan - Monthly Bulletin of Statistics, League of Nations.

United Kingdom - Supplement to The Economist, London.

France - Statistique Generale de la France.

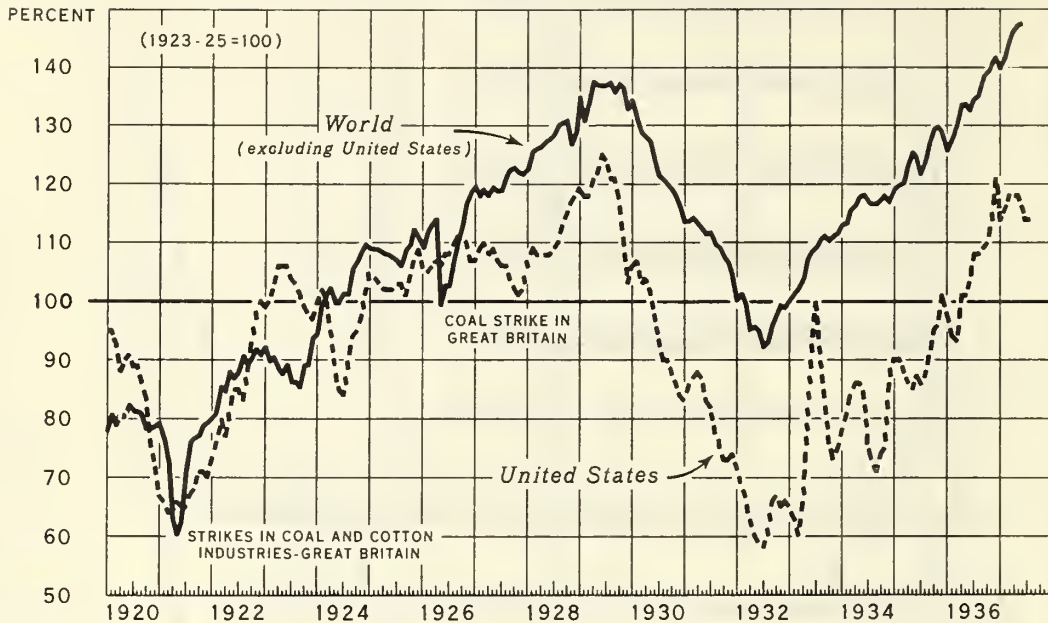
Italy - Bollettino di Notizie Economiche.

1/ 1928 = 100. Excludes foodstuffs, tobacco, and beverages.

2/ 1928-29 = 100.

3/ Germany includes Saar Region, beginning March 1935.

INDUSTRIAL PRODUCTION: UNITED STATES AND WORLD EXCLUDING UNITED STATES



U. S. DEPARTMENT OF AGRICULTURE

NEG. 31327 BUREAU OF AGRICULTURAL ECONOMICS

During the post-war period industrial production in foreign countries, on the average, has increased at a more rapid rate than in the United States. Due to the importance of the United States in the international trade structure, short-time variations in industrial output in the United States and in combined foreign countries have been very similar.

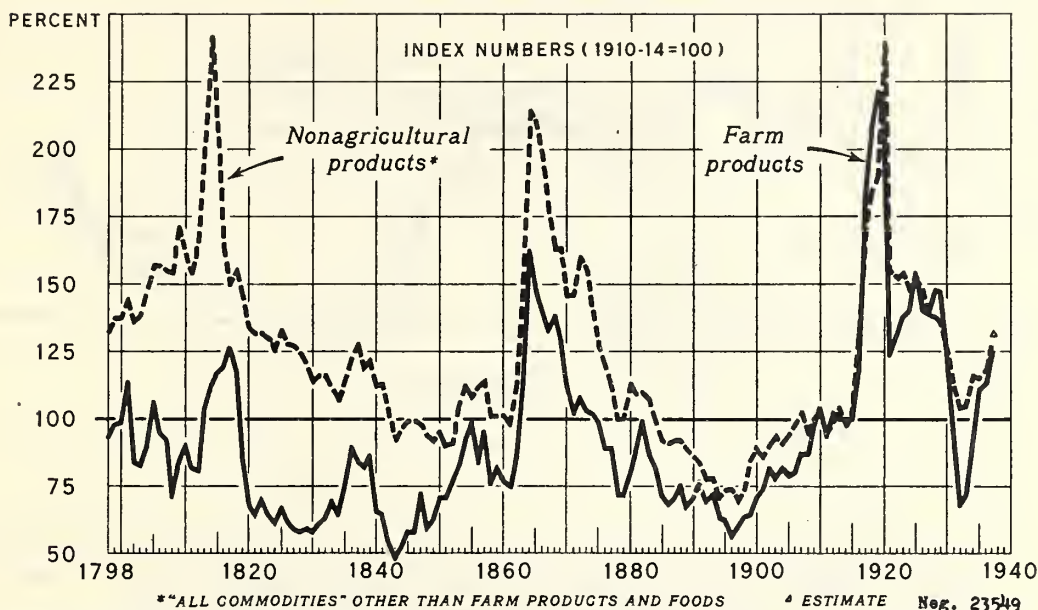
Industrial production
Index numbers (1923-25 = 100)

Year	United States (adjusted for seasonal variation)											
	Jan.	Feb.	Mar.	Apr.	May	June	July	Aug.	Sept.	Oct.	Nov.	Dec.
1920	95	95	93	88	90	91	89	89	86	83	76	72
1921	67	66	64	64	66	65	65	67	68	71	71	70
1922	73	76	80	77	81	85	85	83	88	93	97	100
1923	99	100	103	106	106	106	104	103	100	99	98	97
1924	100	102	100	95	89	85	84	89	94	95	97	101
1925	105	104	103	102	102	102	103	103	101	104	107	109
1926	106	105	106	107	106	108	108	110	111	111	110	107
1927	107	108	110	108	109	107	106	106	104	102	101	102
1928	107	109	108	108	108	108	109	110	113	115	117	118
1929	119	118	118	121	122	125	124	121	121	118	110	103
1930	106	107	103	104	102	102	93	90	90	88	86	84
1931	83	86	87	88	87	83	82	78	76	73	73	74
1932	72	69	67	63	60	59	58	60	66	67	65	66
1933	65	63	59	66	78	91	100	91	84	76	72	75
1934	78	81	84	86	86	84	75	73	71	74	75	86
1935	90	90	88	86	85	87	86	88	91	95	96	101
1936	97	94	93	101	101	104	108	108	109	110	114	121
1937	114	116	118	118	118	114	114					
Year	World excluding United States (major countries adjusted for seasonal variation)											
	Jan.	Feb.	Mar.	Apr.	May	June	July	Aug.	Sept.	Oct.	Nov.	Dec.
1920	77.7	80.5	78.8	81.1	80.2	82.3	81.3	81.0	80.7	78.3	78.3	78.6
1921	79.2	76.6	72.5	63.4	60.0	62.1	70.0	75.9	76.6	77.1	78.8	79.3
1922	80.0	80.8	85.4	84.8	88.0	86.8	87.8	90.6	89.1	90.3	91.9	90.6
1923	92.3	89.7	90.3	88.4	87.5	89.2	86.2	86.3	85.3	88.9	89.0	93.6
1924	94.5	98.9	100.5	102.3	99.8	99.7	101.3	101.1	105.6	106.8	108.4	109.7
1925	109.0	108.8	108.7	108.2	107.9	107.5	107.0	106.2	108.8	109.7	112.3	110.8
1926	109.1	111.8	112.9	114.0	99.2	102.7	102.6	107.4	110.2	113.2	116.7	118.6
1927	119.7	117.9	119.2	118.0	119.4	118.8	119.0	121.1	122.5	122.8	121.9	121.6
1928	122.5	125.5	126.1	126.4	127.3	127.8	128.5	130.0	130.4	130.6	126.8	128.9
1929	134.8	130.6	133.7	137.7	137.1	136.8	137.1	137.4	135.7	137.2	136.5	132.7
1930	134.3	131.2	128.7	128.1	127.2	123.7	121.5	120.8	119.9	119.0	117.7	115.9
1931	113.4	113.6	114.2	113.2	112.3	111.5	111.7	109.7	109.0	107.7	106.7	104.5
1932	100.2	101.2	99.2	95.4	95.8	94.8	92.2	93.0	96.0	97.7	99.4	99.0
1933	100.1	101.2	102.2	103.8	107.0	108.4	109.0	110.5	111.2	110.4	111.1	111.5
1934	112.8	113.3	115.5	116.4	117.8	118.1	116.9	116.6	116.6	117.4	118.0	116.9
1935	119.2	119.6	120.1	122.9	125.7	124.5	121.6	123.4	127.1	129.4	129.8	128.8
1936	125.9	127.4	130.2	133.6	133.6	132.5	134.5	135.1	138.3	139.1	140.6	141.8
1937	139.8	141.9	144.9	146.1	147.3	147.4						

Bureau of Agricultural Economics.

1/ Preliminary.

WHOLESALE PRICES OF FARM AND NONAGRICULTURAL* PRODUCTS, 1798-1937



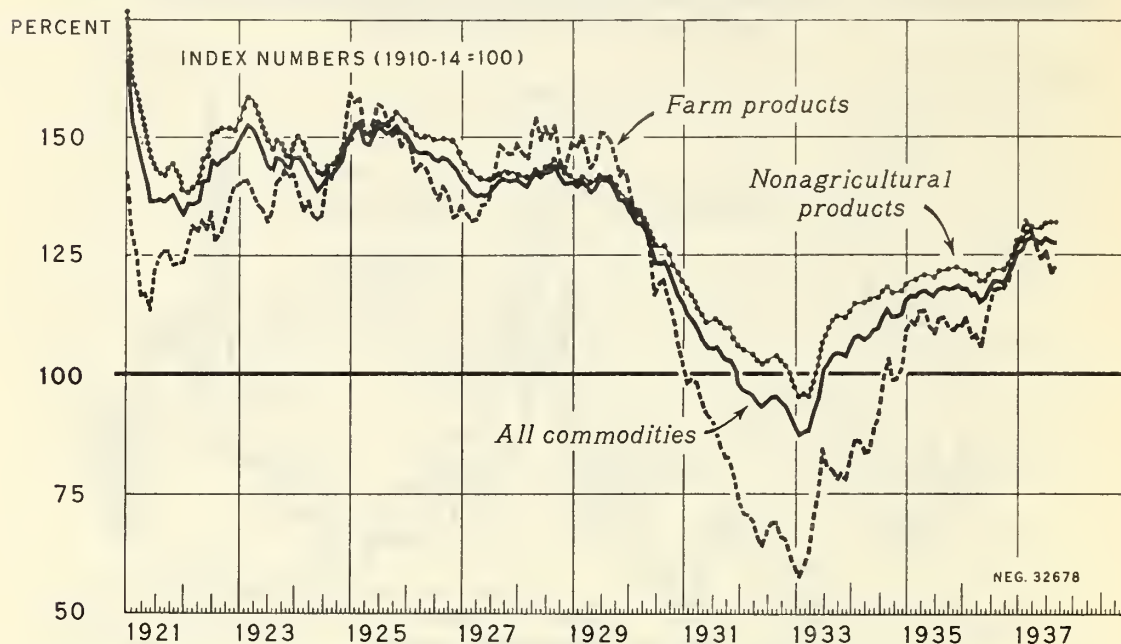
Agricultural and nonagricultural prices have shared the influences of industrial prosperity and credit expansion in war and post-war periods. The marked price fluctuations are one of the major uncertainties with which both farm operators and owners of farm land must contend.

Wholesale prices of farm and nonagricultural products ^{1/} by years, 1798 - Index numbers (1910-14 = 100)

Year :	Farm : products:	Nonagri- cultural:	Year :	Farm : products:	Nonagri- cultural:	Year :	Farm : products:	Nonagri- cultural:	Year :	Farm : products:	Nonagri- cultural:
1798 :	93	132	1833 :	69	111	1868 :	138	163	1903 :	78	94
1799 :	98	137	1834 :	64	107	1869 :	128	163	1904 :	82	91
1800 :	99	137	1835 :	75	114	1870 :	112	146	1905 :	79	94
1801 :	113	144	1836 :	89	123	1871 :	102	146	1906 :	80	98
1802 :	84	136	1837 :	84	127	1872 :	108	160	1907 :	87	102
1803 :	83	138	1838 :	82	119	1873 :	103	156	1908 :	87	95
1804 :	89	148	1839 :	86	122	1874 :	102	139	1909 :	98	100
1805 :	106	157	1840 :	65	112	1875 :	99	127	1910 :	104	103
1806 :	95	157	1841 :	64	113	1876 :	89	120	1911 :	94	95
1807 :	92	155	1842 :	53	103	1877 :	89	111	1912 :	102	99
1808 :	71	154	1843 :	48	92	1878 :	72	100	1913 :	100	104
1809 :	83	171	1844 :	52	97	1879 :	72	100	1914 :	100	98
1810 :	90	161	1845 :	58	99	1880 :	80	113	1915 :	100	101
1811 :	82	154	1846 :	58	99	1881 :	89	109	1916 :	118	131
1812 :	81	166	1847 :	72	98	1882 :	99	110	1917 :	181	169
1813 :	104	204	1848 :	59	94	1883 :	87	107	1918 :	208	184
1814 :	112	241	1849 :	62	92	1884 :	82	99	1919 :	221	191
1815 :	117	203	1850 :	71	95	1885 :	72	92	1920 :	211	239
1816 :	119	163	1851 :	71	90	1886 :	68	91	1921 :	124	155
1817 :	126	150	1852 :	77	91	1887 :	71	92	1922 :	132	152
1818 :	117	155	1853 :	83	105	1888 :	75	92	1923 :	138	154
1819 :	87	146	1854 :	93	112	1889 :	67	89	1924 :	140	148
1820 :	68	134	1855 :	98	108	1890 :	71	86	1925 :	154	152
1821 :	64	132	1856 :	84	112	1891 :	76	84	1926 :	140	148
1822 :	70	132	1857 :	95	114	1892 :	69	78	1927 :	139	139
1823 :	64	130	1858 :	76	101	1893 :	72	78	1928 :	148	138
1824 :	61	126	1859 :	82	101	1894 :	63	71	1929 :	147	136
1825 :	67	133	1860 :	77	101	1895 :	62	74	1930 :	124	126
1826 :	62	128	1861 :	75	98	1896 :	56	74	1931 :	91	111
1827 :	79	127	1862 :	86	113	1897 :	60	70	1932 :	68	104
1828 :	8	125	1863 :	113	150	1898 :	63	74	1933 :	72	105
1829 :	59	121	1864 :	162	214	1899 :	64	85	1934 :	92	116
1830 :	58	114	1865 :	148	210	1900 :	71	89	1935 :	111	115
1831 :	61	116	1866 :	140	197	1901 :	74	86	1936 :	113	118
1832 :	63	116	1867 :	133	176	1902 :	82	90	1937 :		

Bureau of Agricultural Economics. Current data not published regularly. Data for "Farm products", variable group weights, 1798-1889, published in "The Price Series", by G.F. Warren and F.A. Pearson. Data for "Non-agricultural products" 1798-1889 computed from Warren and Pearson index numbers. Beginning 1890, data for 60th series based on Bureau of Labor Statistics index numbers. ^{1/} All commodities other than farm products and foods.

WHOLESALE PRICES OF FARM AND NONAGRICULTURAL PRODUCTS AND OF ALL COMMODITIES, 1921 TO DATE



BASED ON DATA FROM BUR. OF LABOR STATISTICS

During the depression, wholesale prices of farm products in the United States declined faster and farther than wholesale prices of nonagricultural products, but regained approximately their pre-war and pre-depression relationships in early 1937, following the general rise which started in 1933. Since the early part of 1937 prices of farm products have declined sharply, whereas prices of non-agricultural products have leveled off.

(Data for Chart, Neg. 32678)

Wholesale prices of farm and nonagricultural products and all commodities, 1921 - Index numbers (1910-14 = 100)

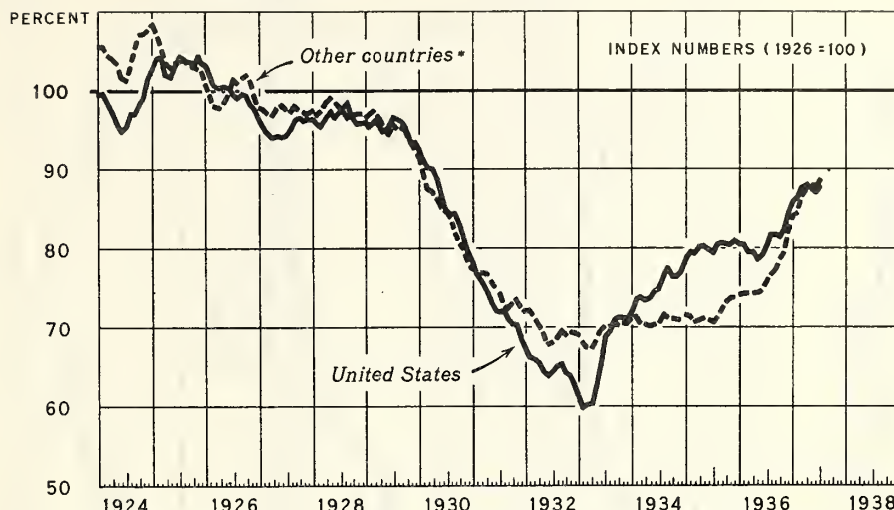
Month	Farm products	Nonagricultural products	All commodities	Farm products	Nonagricultural products	All commodities
Jan.	142.5	176.5	168.4	123.4	134.5	133.4
Feb.	130.0	162.9	153.1	133.4	138.3	135.6
Mar.	126.1	159.1	149.5	131.0	139.1	135.5
Apr.	116.1	155.5	144.4	129.9	140.2	136.1
May	116.5	150.2	140.4	132.3	140.1	140.3
June	113.0	145.7	136.4	130.2	146.0	140.6
July	121.3	143.2	136.4	134.1	150.8	145.1
Aug.	124.7	142.3	136.5	127.9	151.3	143.9
Sept.	125.8	141.8	136.4	129.6	151.9	145.0
Oct.	125.8	143.3	137.4	132.1	151.9	145.4
Nov.	122.9	144.4	137.5	137.2	151.9	146.7
Dec.	123.3	141.7	135.6	139.1	151.7	147.0
Jan.	139.7	142.0	144.9	142.2	148.7	145.4
Feb.	140.3	146.2	150.8	138.6	150.1	145.5
Mar.	140.5	158.5	152.6	134.2	148.9	143.8
Apr.	134.1	158.0	151.7	136.5	146.0	142.0
May	135.6	155.0	148.8	133.4	144.4	140.0
June	134.6	152.2	146.4	132.3	142.6	138.5
July	131.8	149.5	143.6	138.3	142.1	139.6
Aug.	134.4	147.5	142.8	143.1	143.6	141.6
Sept.	140.3	149.5	145.5	140.8	144.2	141.8
Oct.	141.1	148.7	145.1	144.7	145.3	143.4
Nov.	142.8	146.2	143.6	145.3	146.6	144.7
Dec.	141.7	146.0	143.2	151.9	145.6	148.2
Jan.	159.8	149.9	150.2	150.6	153.8	150.7
Feb.	157.6	152.5	151.8	147.4	152.3	148.9
Mar.	158.2	152.9	152.1	142.6	150.8	146.9
Apr.	150.9	150.5	148.8	144.2	149.9	146.4
May	150.5	150.2	146.3	143.6	146.7	145.0
June	153.3	151.9	150.4	141.5	150.8	146.6
July	157.2	153.2	152.3	138.3	149.9	145.3
Aug.	156.9	152.5	151.7	136.3	149.6	144.7
Sept.	154.3	152.5	150.9	139.3	149.9	145.5
Oct.	150.1	154.0	151.2	137.3	149.9	145.1
Nov.	151.6	155.2	152.6	132.8	149.2	143.6
Dec.	147.8	154.3	150.9	133.1	148.3	142.9
Jan.	135.3	145.0	140.9	148.8	142.0	140.7
Feb.	133.8	144.2	139.9	146.6	141.4	139.9
Mar.	132.1	142.6	138.2	145.2	141.1	139.4
Apr.	132.3	141.4	137.4	150.9	141.8	141.0
May	139.1	140.9	137.5	150.0	142.9	142.3
June	135.3	140.8	137.4	149.6	142.4	141.2
July	136.9	140.8	137.7	152.2	143.0	142.2
Aug.	143.5	140.9	139.0	149.9	143.8	142.5
Sept.	146.5	141.6	140.6	152.6	145.1	143.9
Oct.	147.3	142.7	141.0	145.0	143.3	141.2
Nov.	146.3	142.3	140.6	142.5	142.3	139.9
Dec.	146.4	142.4	140.7	145.3	141.7	139.9

Bureau of Agricultural Economics.

Based on Bureau of Labor Statistics index numbers. Current data not published on 1910-14 base.

Month	Farm products	Nonagricultural products	All commodities	Farm products	Nonagricultural products	All commodities
Jan.	148.5	141.1	140.0	141.7	136.4	135.0
Feb.	147.8	140.3	139.3	137.4	135.3	133.4
Mar.	150.4	141.1	140.3	132.8	134.1	131.7
Apr.	147.1	140.8	139.4	134.4	133.5	131.4
May	143.3	140.0	138.2	130.4	132.2	129.6
June	144.9	140.6	139.0	128.7	129.8	128.7
July	150.9	141.5	140.9	116.5	127.2	123.2
Aug.	150.8	141.2	140.6	119.1	128.5	123.1
Sept.	149.5	141.2	140.3	119.6	126.6	123.2
Oct.	145.9	140.2	138.8	115.7	125.0	121.2
Nov.	141.8	138.0	136.5	111.2	116.7	114.7
Dec.	132.9	137.6	136.2	105.5	112.1	111.2
Jan.	102.5	115.2	111.2	74.1	105.7	98.2
Feb.	98.3	117.6	112.1	71.0	104.7	96.8
Mar.	99.0	116.1	110.9	70.4	104.2	96.4
Apr.	98.3	113.7	109.2	69.0	103.6	95.6
May	94.1	112.0	108.9	65.4	102.4	94.0
June	91.7	110.4	105.3	64.1	102.0	93.3
July	91.0	110.5	105.1	67.2	102.3	94.2
Aug.	89.1	111.1	105.3	68.9	101.0	95.2
Sept.	84.9	110.4	103.9	68.9	101.3	95.3
Oct.	82.5	109.2	102.6	65.8	102.4	96.0
Nov.	82.3	109.2	102.5	65.5	101.5	97.3
Dec.	78.1	107.2	100.1	61.3	100.0	91.8
Jan.	99.7	97.6	89.1	82.3	112.8	105.4
Feb.	57.4	95.8	87.3	86.0	114.4	107.8
Mar.	60.0	95.9	87.9	80.0	116.6	107.6
Apr.	62.4	95.8	88.2	83.6	115.2	107.0
May	70.4	98.3	91.5	83.6	115.2	107.6
June	74.6	101.4	94.9	88.8	115.6	106.9
July	64.3	106.3	100.6	90.5	115.6	109.2
Aug.	80.8	108.3	101.5	97.9	117.0	111.5
Sept.	79.9	110.8	103.4	102.9	117.9	113.3
Oct.	78.1	111.9	103.9	99.0	116.7	111.7
Nov.	79.4	111.6	103.8	99.3	116.8	111.7
Dec.	77.8	111.3	103.8	101.0	117.0	112.3
Jan.	108.8	118.6	115.0	109.7	121.7	117.7
Feb.	110.9	116.4	111.5	111.5	121.4	117.7
Mar.	109.8	115.5	111.9	107.3	120.6	116.2
Apr.	112.8	120.2	116.9	107.9	120.6	116.4
May	113.0	120.3	117.1	105.5	119.1	116.7
June	109.8	120.8	116.8	109.5	115.4	115.6
July	108.1	120.0	115.9	114.0	116.8	115.2
Aug.	111.2	121.2	117.5	117.5	121.7	119.1
Sept.	111.5	121.5	117.8	117.8	121.7	119.1
Oct.	109.7	121.7	117.5	117.8	121.7	119.0
Nov.	108.1	122.0	117.1	119.4	121.8	120.8
Dec.	109.8	122.3	118.1	124.1	125.0	121.6
Jan.	128.1	127.2	125.4	125.2	131.6	128.1
Feb.	128.2	127.8	126.0	121.2	131.7	127.7
Mar.	132.0	129.8	128.2			
Apr.	129.3	130.7	128.5			
May	125.9	130.4	127.6			
June	124.1	130.5	127.3			

WHOLESALE PRICES OF ALL COMMODITIES, UNITED STATES AND OTHER COUNTRIES, 1924 TO DATE



*UNITED KINGDOM, CANADA, GERMANY, FRANCE, NETHERLANDS, JAPAN, CHINA. THESE COUNTRIES TAKE ABOUT 70 PERCENT OF U.S. AGRICULTURAL EXPORTS. Neg. 21364

The trend of wholesale prices in United States and in seven important foreign countries combined were closely related from January 1924 to September 1931, after which foreign currency devaluations in 1931 and 1932 checked the price declines in several foreign countries. After the devaluation of the dollar, prices have advanced faster and farther in United States than in most foreign countries, but in 1936 rises in both foreign and domestic prices brought both series to about the same level.

Wholesale prices of all commodities, United States and other countries, by months, 1924 -
Index numbers (1926 = 100)

Year	United States											
	Jan.	Feb.	Mar.	Apr.	May	June	July	Aug.	Sept.	Oct.	Nov.	Dec.
1924	99.6	99.7	98.5	97.3	95.9	94.9	95.6	97.0	97.1	98.2	99.1	101.5
1925	102.9	104.0	104.2	101.9	101.6	103.0	104.3	103.9	103.4	103.6	104.5	103.4
1926	103.2	102.0	100.6	100.3	100.5	100.4	99.5	99.1	99.7	99.4	98.4	97.9
1927	96.5	95.8	94.7	94.1	94.2	94.1	94.3	95.2	96.3	96.6	96.3	96.4
1928	96.4	95.8	95.5	96.6	97.5	96.7	97.4	97.6	98.6	96.7	95.8	95.8
1929	95.9	95.4	96.1	95.5	94.7	95.2	96.5	96.3	96.1	95.1	93.5	93.3
1930	92.5	91.4	90.2	90.0	88.8	86.8	84.4	84.3	84.4	83.0	81.3	79.6
1931	78.2	76.8	76.0	74.8	73.2	72.1	72.0	72.1	71.2	70.3	70.2	68.6
1932	67.3	66.3	66.0	65.5	64.4	63.9	64.5	65.2	65.3	64.4	63.9	62.6
1933	61.0	59.8	60.2	60.4	62.7	65.0	68.9	69.5	70.8	71.2	71.1	70.8
1934	72.2	73.6	73.7	73.3	73.7	74.6	74.8	76.4	77.6	76.5	76.5	76.9
1935	78.8	79.5	79.4	80.1	80.2	79.8	79.4	80.5	80.7	80.5	80.6	80.9
1936	80.6	80.6	79.6	79.7	78.6	79.2	80.5	81.6	81.6	81.5	82.4	84.2
1937	85.9	86.3	87.8	88.0	87.4	87.2	87.9					
Other countries 1/												
1924	105.5	105.8	104.5	104.0	103.3	101.7	101.3	103.0	104.9	107.1	107.2	107.7
1925	108.4	107.4	105.8	103.6	102.9	103.3	103.6	103.8	103.6	102.9	102.8	102.5
1926	100.8	99.6	98.1	97.8	98.3	99.5	101.3	100.8	101.5	101.9	101.4	99.0
1927	97.8	97.7	97.1	96.8	97.7	98.1	97.6	97.4	98.0	97.6	97.3	97.2
1928	97.4	96.9	97.4	98.5	99.1	98.4	97.8	97.1	96.5	96.8	97.0	97.0
1929	96.7	96.9	97.5	96.3	94.9	94.5	95.7	95.1	95.2	94.9	93.6	92.5
1930	91.3	89.6	87.6	87.1	86.0	85.1	84.6	83.9	82.5	80.7	80.1	78.4
1931	77.4	77.2	76.9	76.8	75.8	75.1	74.4	73.2	72.3	73.1	73.3	72.6
1932	72.1	72.1	71.6	70.3	69.4	67.9	68.2	68.7	69.7	69.1	69.4	69.3
1933	69.0	68.2	67.6	67.5	68.3	69.6	70.2	70.1	70.5	70.3	70.5	70.5
1934	71.0	71.3	70.7	70.3	70.1	70.4	70.5	71.5	71.2	71.1	71.0	70.9
1935	71.5	71.4	70.7	70.9	71.2	70.9	70.6	71.2	72.0	73.1	73.6	73.7
1936	74.0	74.1	74.1	74.2	74.2	74.6	75.6	76.7	77.2	78.7	79.5	81.8
1937	84.0	84.4	86.6	87.6	87.8	87.8	88.8					

Bureau of Agricultural Economics, United States -- current data published monthly in "Wholesale Prices" and

"Monthly Labor Review", Bureau of Labor Statistics, United States Department of Labor.

Other countries -- current data published monthly in "The Price Situation". Compiled as follows:

United States -- Bureau of Labor Statistics.

Other countries --

England -- Board of Trade Journal, London, weekly. (Original base = 1930)

Canada -- Monthly Review of Business Statistics, Ottawa.

Germany -- Wirtschaft und Statistik, Heft 2, Berlin, monthly.

France -- Statistique Generale de la France -- (Original base = 1913).

Netherlands -- Maandchrift, s' - Gravenhage, monthly. (Original base = 1926 - 1930.)

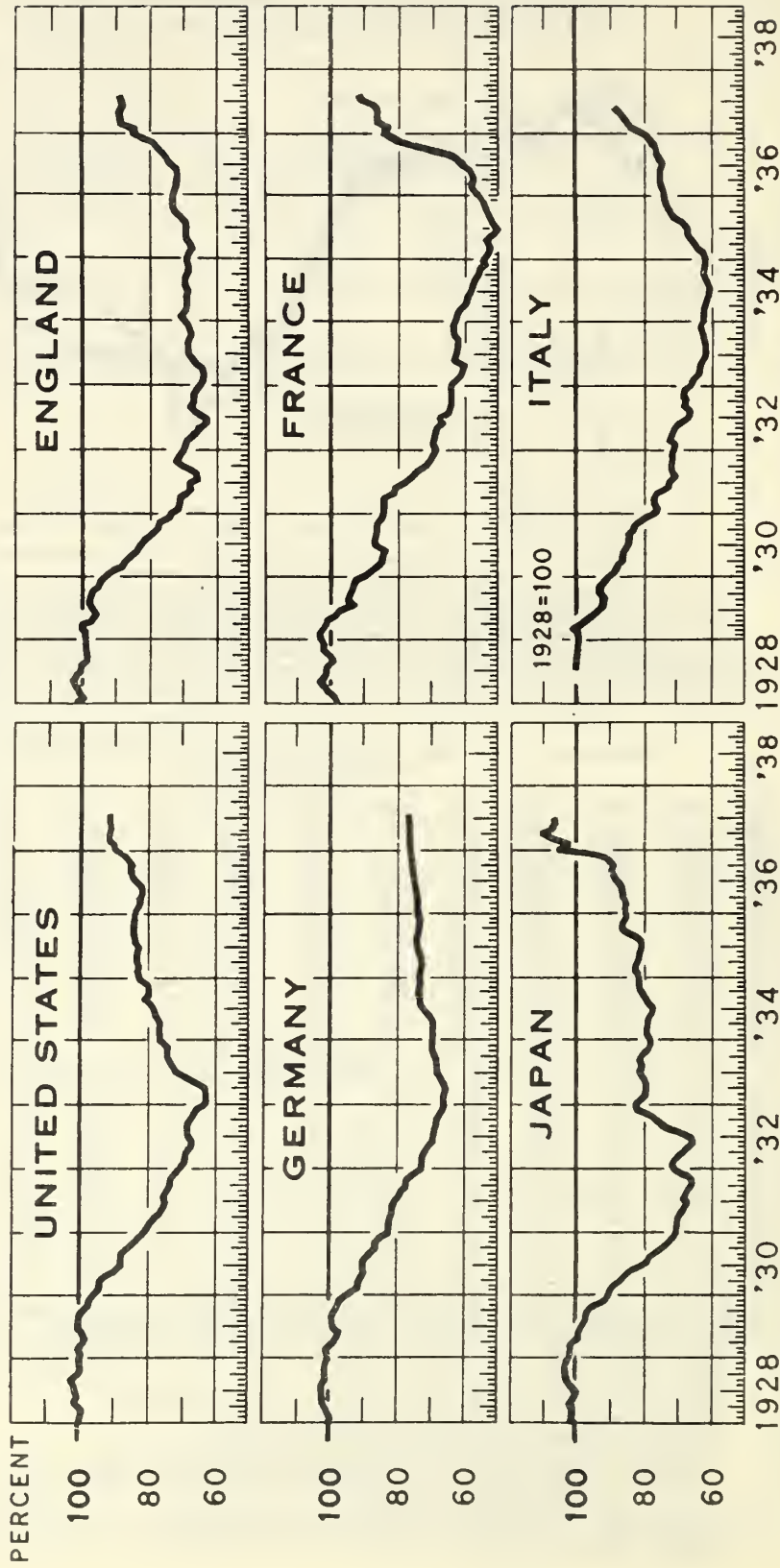
Japan -- The Monthly Bulletin of the Financial and Economic Statistics of Nippon, Tokyo.

(Original base = October 1900.)

China -- Prices and Price Indexes in Shanghai, monthly, Shanghai.

1/ A weighted average of index numbers of wholesale prices in United Kingdom, Canada, Germany, France, Netherlands, Japan, and China.

WHOLESALE PRICES, UNITED STATES AND SELECTED FOREIGN COUNTRIES, 1928 TO DATE INDEX NUMBERS (1927-29=100)



U.S. DEPARTMENT OF AGRICULTURE

NEG. 25960 BUREAU OF AGRICULTURAL ECONOMICS

The world-wide decline in commodity prices has been followed by considerable recovery in nearly all countries.

(Data for Chart, Neg. No. 25960)
Wholesale prices, United States and selected foreign countries,
by month, Jan. 1928 - - Continued
Index numbers (1927-29 = 100)

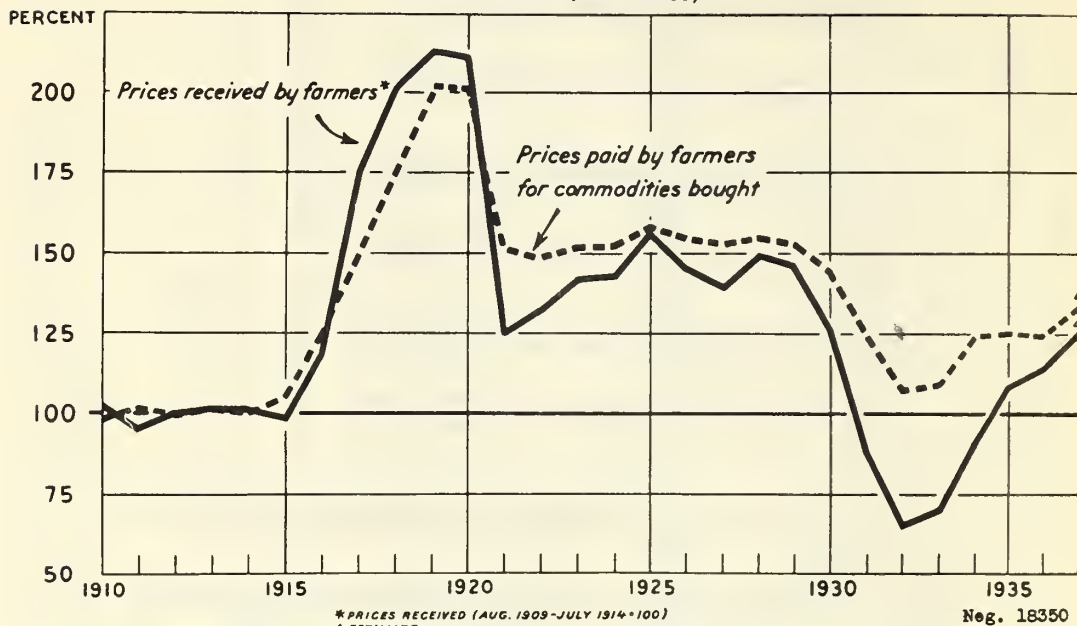
Month	United States	Germany	Japan	England	France	Italy	United States	Germany	Japan	England	France	Italy
						(1928=100)						(1928=100)
Jan.	100.0	100.3	100.3	100.9	98.4		81.7	83.3	70.9	75.0	84.8	76.9
Feb.	99.7	100.2	100.2	99.5	99.2		79.3	82.4	70.8	71.6	84.3	76.2
Mar.	100.8	100.9	100.4	101.9	101.1		78.1	82.4	70.8	71.5	84.5	77.4
Apr.	101.8	102.1	101.5	103.0	103.4		76.4	81.9	68.9	69.5	81.5	76.5
May	101.0	102.2	100.0	101.7	101.7		75.3	81.2	67.4	67.8	81.2	73.2
June	101.7	102.4	99.8	100.9	101.3	100.0 Av.	75.2	80.8	68.4	68.4	78.4	72.7
July	101.9	102.5	100.6	101.6	101.3		75.3	80.8	68.4	68.4	78.4	72.7
Aug.	101.9	102.5	100.6	101.6	101.3		75.3	80.8	68.4	68.4	78.4	72.7
Sept.	101.9	102.5	100.6	101.6	101.3		75.3	80.8	68.4	68.4	78.4	72.7
Oct.	101.9	102.5	100.6	101.6	101.3		75.3	80.8	68.4	68.4	78.4	72.7
Nov.	101.9	102.5	100.6	101.6	101.3		75.3	80.8	68.4	68.4	78.4	72.7
Dec.	101.9	102.5	100.6	101.6	101.3		75.3	80.8	68.4	68.4	78.4	72.7
Jan.	100.0	101.5	102.5	98.6	100.3		73.4	77.5	65.7	72.1	70.1	71.9
Feb.	100.0	101.5	102.5	98.6	100.3		73.4	77.5	65.7	72.1	70.1	71.9
Mar.	100.0	101.5	102.5	98.6	100.3		73.4	77.5	65.7	72.1	70.1	71.9
Apr.	100.0	101.5	102.5	98.6	100.3		73.4	77.5	65.7	72.1	70.1	71.9
May	100.0	101.5	102.5	98.6	100.3		73.4	77.5	65.7	72.1	70.1	71.9
June	100.0	101.5	102.5	98.6	100.3		73.4	77.5	65.7	72.1	70.1	71.9
July	100.0	101.5	102.5	98.6	100.3		73.4	77.5	65.7	72.1	70.1	71.9
Aug.	100.0	101.5	102.5	98.6	100.3		73.4	77.5	65.7	72.1	70.1	71.9
Sept.	100.0	101.5	102.5	98.6	100.3		73.4	77.5	65.7	72.1	70.1	71.9
Oct.	100.0	101.5	102.5	98.6	100.3		73.4	77.5	65.7	72.1	70.1	71.9
Nov.	100.0	101.5	102.5	98.6	100.3		73.4	77.5	65.7	72.1	70.1	71.9
Dec.	100.0	101.5	102.5	98.6	100.3		73.4	77.5	65.7	72.1	70.1	71.9
Jan.	100.1	100.5	101.9	99.4	103.0	99.8	71.2	72.3	71.4	70.1	68.8	71.4
Feb.	99.6	100.7	101.2	99.4	103.4	100.7	69.2	72.2	72.2	69.7	69.9	71.1
Mar.	100.3	101.0	101.2	100.5	102.4	101.1	68.9	72.2	70.9	69.0	69.6	71.8
Apr.	99.7	100.7	101.2	99.4	102.4	101.1	68.9	72.2	70.9	69.0	69.6	71.8
May	99.8	99.5	99.8	99.5	100.8	99.7	67.2	70.5	67.2	65.4	68.7	71.3
June	99.4	97.7	99.2	96.1	97.6	95.5	66.7	69.4	65.5	63.1	65.6	69.5
July	100.8	99.7	98.2	97.7	97.6	92.9	67.4	69.4	66.1	63.7	67.4	66.6
Aug.	100.5	99.9	97.3	96.2	93.9	92.6	68.1	69.0	69.7	66.3	65.0	66.3
Sept.	100.3	99.9	97.3	96.0	95.3	92.2	68.1	68.8	74.9	68.6	64.7	67.9
Oct.	99.2	99.2	96.7	96.9	95.1	93.4	67.2	68.2	75.5	67.1	64.6	67.6
Nov.	97.6	98.0	94.4	94.5	94.5	93.7	66.7	67.9	79.6	67.1	64.7	68.2
Dec.	97.4	97.1	91.7	94.4	95.4	92.7	65.4	66.8	82.6	65.0	64.7	68.2
Jan.	94.5	95.7	90.1	92.8	90.3	90.6	63.7	65.8	82.6	63.3	64.4	66.2
Feb.	95.4	93.5	89.4	91.0	89.3	89.9	62.4	66.0	80.3	64.7	63.3	65.5
Mar.	94.2	91.4	87.6	88.5	87.5	88.0	62.9	65.9	79.4	64.2	61.1	63.9
Apr.	94.0	91.6	88.3	87.8	85.9	86.3	63.1	65.6	78.8	64.5	60.7	63.5
May	92.7	90.3	84.7	86.0	85.6	86.7	65.4	66.5	79.1	66.2	60.0	63.1
June	90.6	90.0	81.1	84.0	84.8	85.7	67.9	67.2	80.3	67.6	63.2	65.6
July	88.1	90.5	79.0	82.9	87.5	84.5	71.9	67.9	81.5	68.9	62.9	61.8
Aug.	88.1	90.5	79.0	82.9	87.5	84.5	71.9	67.9	81.5	68.9	62.9	61.8
Sept.	88.1	90.5	79.0	82.9	87.5	84.5	71.9	67.9	81.5	68.9	62.9	61.8
Oct.	86.7	86.9	73.6	77.7	86.5	83.3	74.3	69.2	80.7	68.2	62.2	62.0
Nov.	84.9	86.9	72.6	77.3	86.4	82.8	74.3	69.2	80.7	68.2	62.2	62.0
Dec.	83.1	85.3	71.9	74.8	84.8	79.4	73.9	69.6	78.5	68.2	63.8	63.7
Jan.	75.4	69.6	78.5	69.9	63.3	62.8	76.8	69.6	79.4	70.8	62.7	65.0
Feb.	76.9	69.4	79.1	69.6	61.8	62.2	76.9	69.4	79.1	69.6	61.8	62.2
Mar.	76.9	69.4	79.1	69.6	61.8	62.2	76.9	69.4	79.1	69.6	61.8	62.2
Apr.	76.9	69.4	79.1	69.6	61.8	62.2	76.9	69.4	79.1	69.6	61.8	62.2
May	76.9	69.4	79.1	69.6	61.8	62.2	76.9	69.4	79.1	69.6	61.8	62.2
June	76.9	69.4	79.1	69.6	61.8	62.2	76.9	69.4	79.1	69.6	61.8	62.2
July	76.9	69.4	79.1	69.6	61.8	62.2	76.9	69.4	79.1	69.6	61.8	62.2
Aug.	76.9	69.4	79.1	69.6	61.8	62.2	76.9	69.4	79.1	69.6	61.8	62.2
Sept.	76.9	69.4	79.1	69.6	61.8	62.2	76.9	69.4	79.1	69.6	61.8	62.2
Oct.	76.9	69.4	79.1	69.6	61.8	62.2	76.9	69.4	79.1	69.6	61.8	62.2
Nov.	76.9	69.4	79.1	69.6	61.8	62.2	76.9	69.4	79.1	69.6	61.8	62.2
Dec.	76.9	69.4	79.1	69.6	61.8	62.2	76.9	69.4	79.1	69.6	61.8	62.2

Compiled as follows:

United States - Bureau of Labor Statistics.
Germany - Statistisches Reichsanstalt, published in *Wirtschaft und Statistik*, Part 2.
Japan - Jan. 1928-June 1933, *Financial and Economic Statistics of Nippon*, 10th
July 1933-
France - *Statistique Générale de la France*, quarterly, (1928 com.)
Italy - 1928-1933, records of Istituto Centrale di statistica, Rome.
1934-
Statistics, Rome.

PRICES RECEIVED AND PAID BY FARMERS, 1910 TO DATE

INDEX NUMBERS (1910-14 = 100)



During periods of business recession, prices received by farmers decline faster and farther than do prices paid by farmers for commodities purchased. During periods of recovery they rise more rapidly. Lower agricultural production from 1934 to 1936 contributed to the rise in prices of farm products. In relation to pre-war levels, prices received by farmers in January 1937 were higher than prices paid by farmers for the first time since 1925. Larger crops in 1937 have been accompanied by a downward trend in prices and in buying power per unit of farm products, although 1937 prices on the whole have averaged higher than 1936 prices.

Prices received and paid by farmers, 1910 -

Index numbers (1910-14 = 100)

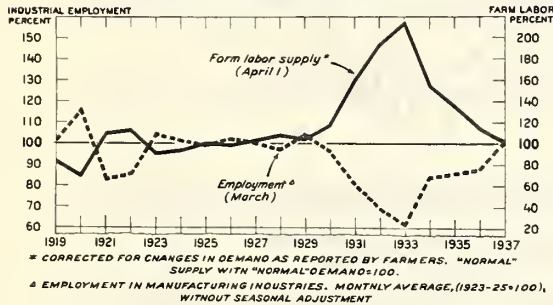
Calendar year	Prices	
	Received	Paid
1910	102	98
1911	95	101
1912	100	100
1913	101	101
1914	101	100
1915	98	105
1916	118	124
1917	175	149
1918	202	176
1919	213	202
1920	211	201
1921	125	152
1922	132	149
1923	142	152
1924	143	152
1925	156	157
1926	145	155
1927	139	153
1928	149	155
1929	146	153
1930	126	145
1931	87	124
1932	65	107
1933	70	109
1934	90	123
1935	108	125
1936	114	124
1937		
1938		
1939		

Bureau of Agricultural Economics. Current data published in the Agricultural Situation.

1/ Base period: August 1909 - July 1914.

PRICES PAID BY FARMERS

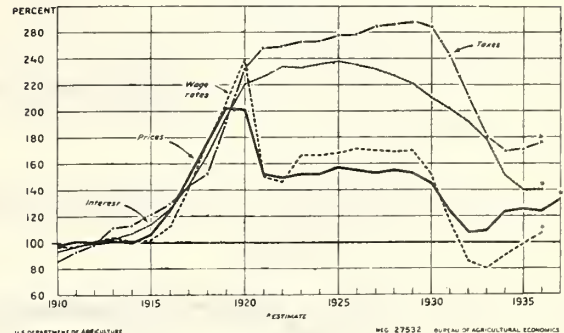
Supply of Farm Labor and Industrial Employment,
Index Numbers, 1913 to Date



U. S. DEPARTMENT OF AGRICULTURE

REG. 21524-B BUREAU OF AGRICULTURAL ECONOMICS

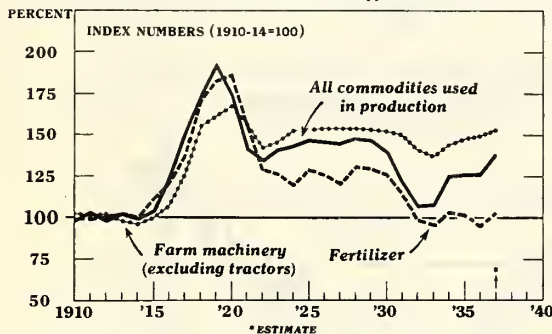
PRICES PAID BY FARMERS, FARM WAGE RATES, AND INTEREST AND TAXES PAYABLE PER
ACRE, 1910 TO DATE.
INDEX NUMBERS (1910-14=100)



U. S. DEPARTMENT OF AGRICULTURE

REG. 27532 BUREAU OF AGRICULTURAL ECONOMICS

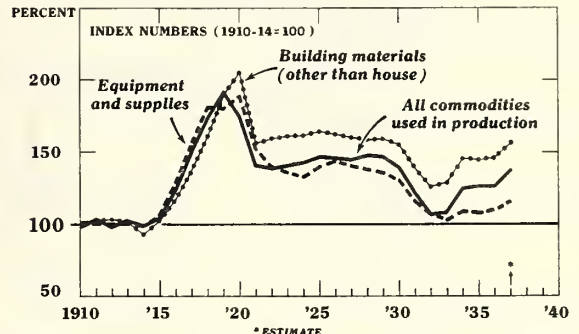
Prices Paid by Farmers for Commodities Used
in Production, Farm Machinery, and Fertilizer



U. S. DEPARTMENT OF AGRICULTURE

REG. 31885-B BUREAU OF AGRICULTURAL ECONOMICS

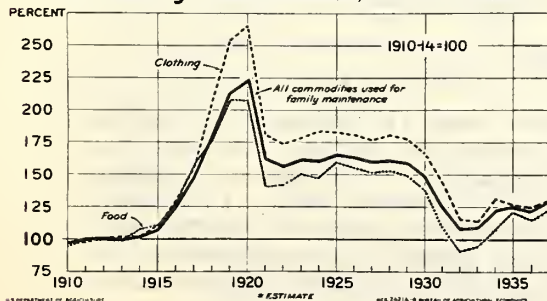
Prices Paid by Farmers for Specified
Commodities, 1910 to Date



U. S. DEPARTMENT OF AGRICULTURE

REG. 31886-B BUREAU OF AGRICULTURAL ECONOMICS

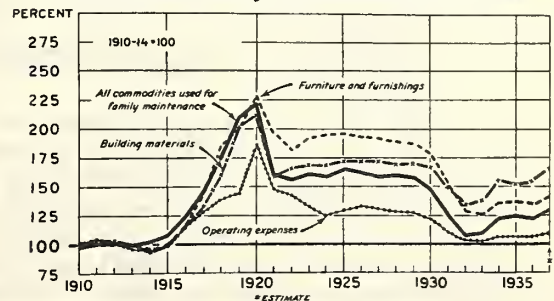
Prices Paid by Farmers for Food, Clothing,
and Family Maintenance, 1910 to Date



U. S. DEPARTMENT OF AGRICULTURE

REG. 32414-B BUREAU OF AGRICULTURAL ECONOMICS

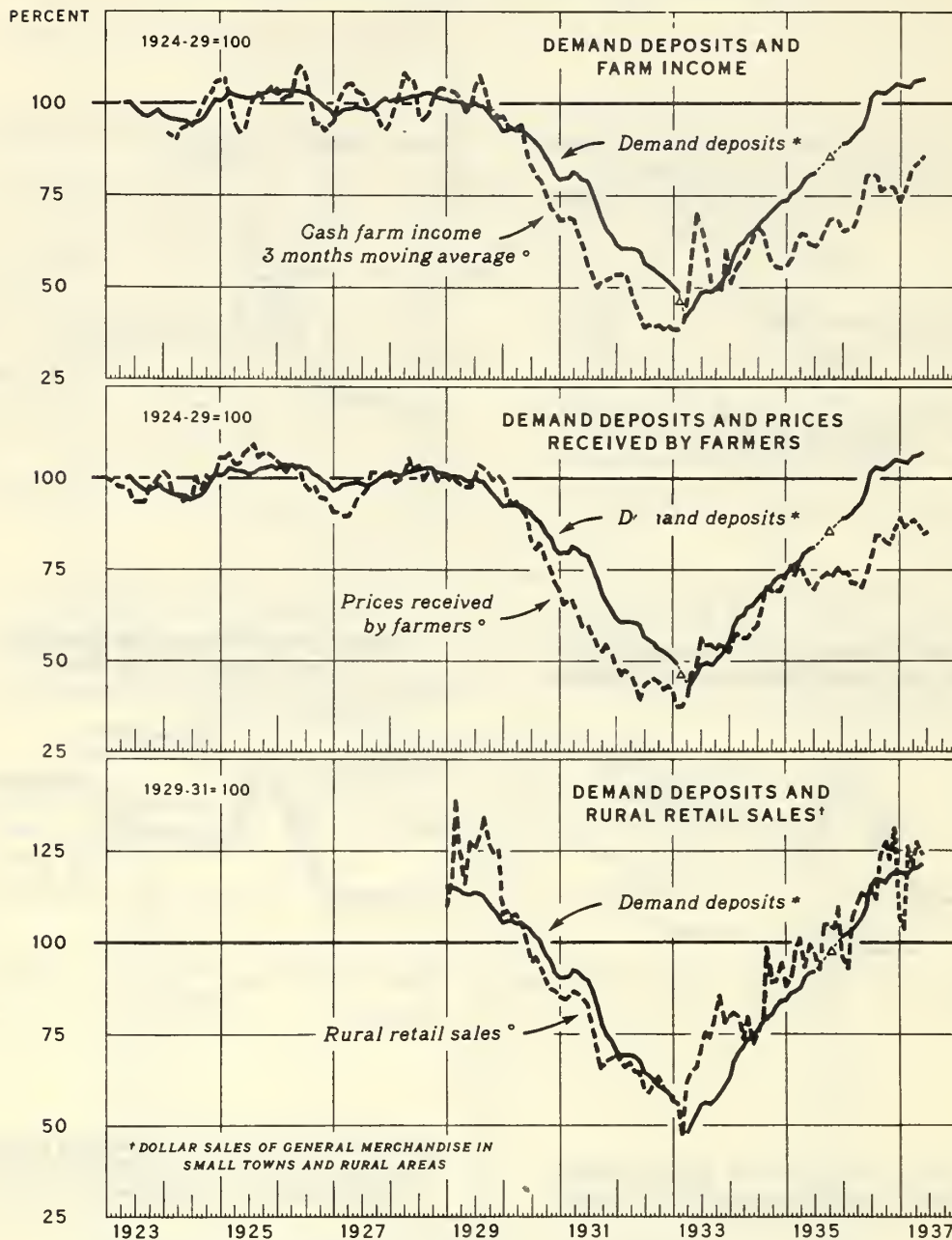
Prices Paid by Farmers for Operating Expenses,
Furniture and Furnishings, Building Materials
for House, and Family Maintenance, 1910 to Date



U. S. DEPARTMENT OF AGRICULTURE

REG. 32423-B BUREAU OF AGRICULTURAL ECONOMICS

DEMAND DEPOSITS OF COUNTRY BANKS*, FARM INCOME, PRICES RECEIVED BY FARMERS, AND RURAL RETAIL SALES



* INDEX OF DEPOSITS IN TWENTY LEADING AGRICULTURAL STATES ADJUSTED FOR SEASONAL VARIATION

° ADJUSTED FOR SEASONAL VARIATION † DATA NOT AVAILABLE

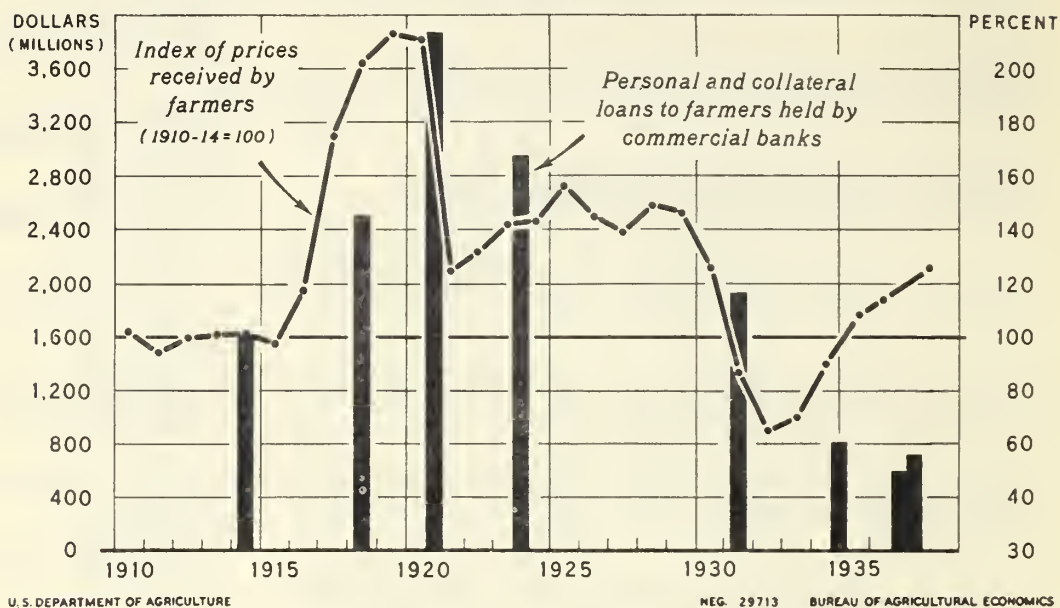
U. S. DEPARTMENT OF AGRICULTURE

NEG. 32146

BUREAU OF AGRICULTURAL ECONOMICS

The level of demand deposits of country banks is influenced by changes in farm income and in the level of prices received by farmers. In more recent years country bank deposits also have reflected the inflow of Federal funds for relief, drought expenditures, benefit payments, etc. As demand deposits of country banks thus reflect the composite inflow and outflow of funds in agricultural communities, this series serves as a rough measure of agricultural purchasing power. It will be noted that demand deposits and rural retail sales have followed the same general trend.

PERSONAL AND COLLATERAL LOANS TO FARMERS AND INDEX OF PRICES RECEIVED BY FARMERS



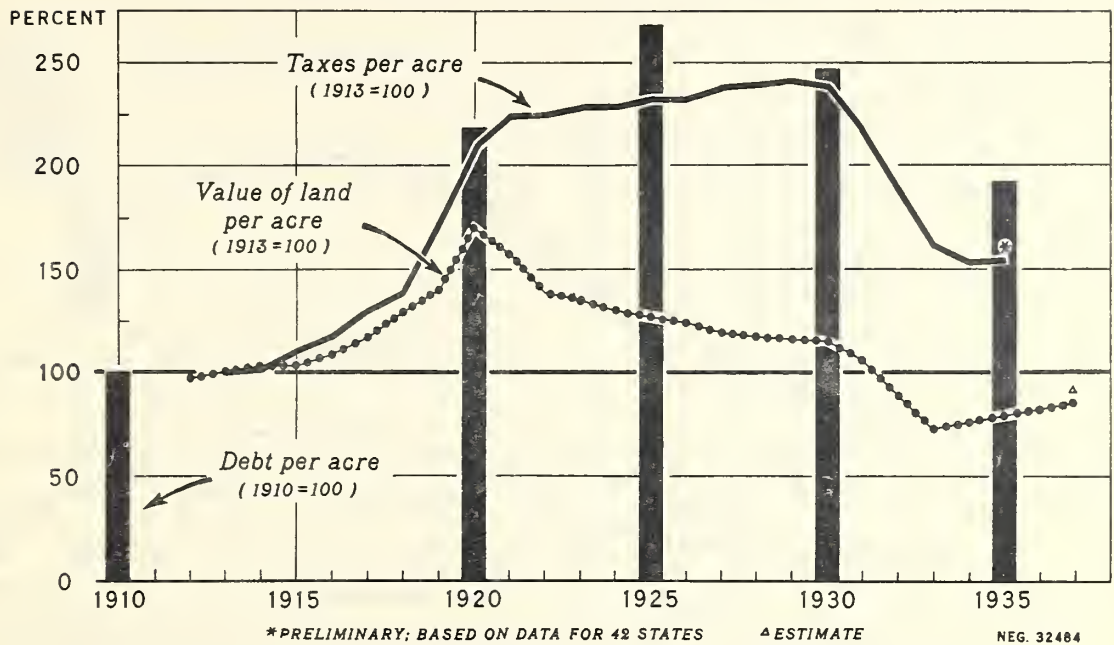
The trend of personal and collateral loans in the period from 1914 to 1934 tended to follow the trend of farm commodity prices although there was a tendency for loans to lag behind prices. Variations in farm commodity prices, as they affect the amount of income received by farmers, influence the ability of the latter to repay advances obtained from banks. Price variations also alter the value of the collateral that farmers can offer as security for loans. The increase in the first half of 1937 marks the reversal of the downward trend that has prevailed in recent years.

Year	Estimated farmers' personal and collateral loans from commercial banks ^{1/}	Index of prices received by farmers (1910-14 = 100)
	1,000 dollars	Percent
1910		102
1911		95
1912		100
1913		101
1914	1,607,970 (Spring)	101
1915		98
1916		118
1917		175
1918	2,506,814 (June 30)	202
1919		213
1920	3,869,891 (December 31)	211
1921		125
1922		132
1923	2,943,318 (December 31)	142
1924		143
1925		156
1926		145
1927		139
1928		149
1929		146
1930		126
1931	1,936,360 (June 30)	87
1932		65
1933		70
1934	807,613 (December 31)	90
1935		108
1936	593,614 (December 31)	114
1937	726,400 (June 30)	^{1/} 125

^{1/} Preliminary.

Bureau of Agricultural Economics.

MORTGAGE DEBT PER ACRE, VALUE OF LAND, AND TAXES ON FARM REAL ESTATE



Mortgage indebtedness was sharply reduced from 1930 to 1935. At the present time interest charges and taxes are also at a lower level than before 1930. For agriculture as a whole these charges represent a reduction in fixed charges which leaves a relatively greater share of the farm income available for the purchase of industrial goods and for debt reduction.

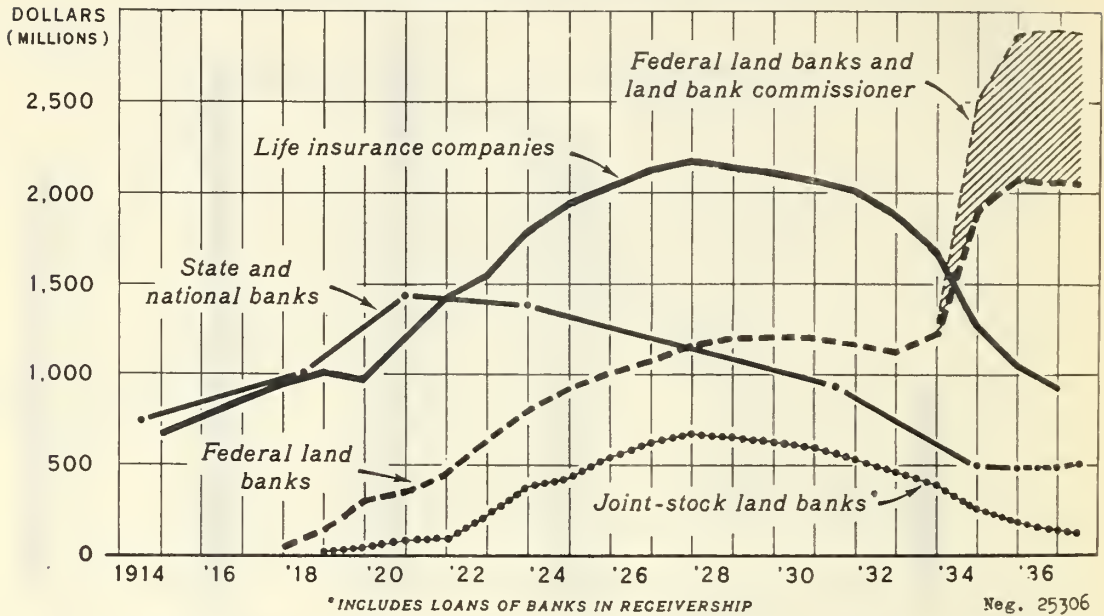
Mortgage debt per acre, value of land, and taxes on farm real estate

Year	Mortgage debt per acre all land in farms	Value per acre	Taxes per acre
	1910 = 100	1913 = 100	1913 = 100
1910	100		
1911			
1912		97	
1913		100	100
1914		103	101
1915		103	110
1916		108	116
1917		117	129
1918		129	137
1919		140	172
1920	218	170	209
1921		157	223
1922		139	224
1923		135	228
1924		130	228
1925	268	127	232
1926		124	232
1927		119	238
1928		117	239
1929		116	241
1930	247	115	238
1931		106	217
1932		89	188
1933		73	161
1934		76	153
1935	192	79	154
1936		82	
1937		85	

1/ Preliminary; based on data for 42 States.

Bureau of Agricultural Economics.

TREND OF FARM MORTGAGE HOLDINGS OF PRINCIPAL LENDING AGENCIES, 1914-JUNE 30, 1937



Marked changes have taken place in the importance of various types of farm mortgage lenders since 1929. In 1928 life insurance companies were the most important group of lending agencies, holding 22.9 percent of the total estimated farm-mortgage debt. By 1935 this group held only 16.3 percent of the total. On the other hand the Federal land banks and Land Bank Commissioners held 32.7 percent of the total indebtedness in 1935 as compared with only 12.1 percent for the Federal land banks in 1928.

Farm mortgage holdings of leading lending agencies on December 31, 1914 to date

Year	Life insurance companies	Federal land banks	Joint stock land banks 1/	State and national banks	Federal land banks and land bank commissioner
	Million dollars	Million dollars	Million dollars	Million dollars	Million dollars
1914	670			2/ 740	
1915					
1916	861				
1917	956	39			
1918	1,018	156	8	3/ 1,011	
1919	975	294	60		
1920	1,206	350	78	1,447	
1921	1,432	433	85		
1922	1,556	639	219		
1923	1,792	800	393	1,388	
1924	1,943	928	446		
1925	2,031	1,006	546		
1926	2,124	1,078	632		
1927	2,173	1,156	667		
1928	2,139	1,195	657		
1929	2,108	1,199	627		
1930	2,062	1,190	591		
1931	2,010	1,168	537	3/ 945	
1932	1,872	1,129	459		
1933	1,664	1,233	392		1,303
1934	1,262	1,916	256	499	2,533
1935	1,055	2,072	176	488	2,867
1936 3/		2,064	151	489	2,891
1936	936	2,064	133	488	2,901
1937 3/		2,052	118	504	2,883
1938					
1939					

1/ Including banks in receivership.

2/ Spring of 1914.

3/ June 30.

MEMORANDUM MATERIAL

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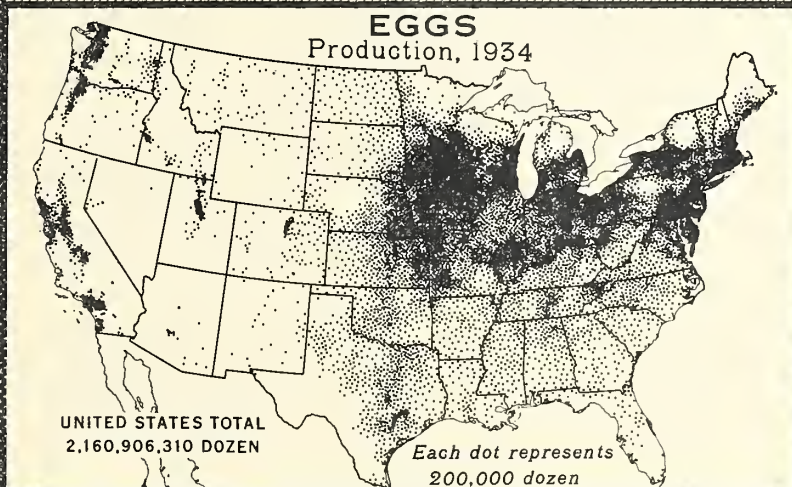
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POULTRY AND EGGS, 1938

AGRICULTURAL OUTLOOK CHARTS



U. S. DEPARTMENT
OF AGRICULTURE
BUREAU OF AGRICULTURAL ECONOMICS
WASHINGTON, D. C.

OCTOBER 1937

OUTLOOK CHART SERIES

1938

The charts in this book have been selected by the Outlook Committees as those best adapted for presenting graphically the economic background for the respective commodities. Though the charts are as up-to-date as available data will permit, mimeographed data sheets will be mailed early in November for bringing to date, as of November 1, those charts and tables having monthly data. Many other charts which are useful in special cases but are not included in this booklet can be supplied upon request.*

OUTLOOK CHART BOOKS FOR 1938

Beef Cattle	Demand, Credit and Prices
Cotton	Farm Family Living
Tobacco	Feed Crops: Corn, Oats, Barley, Hay; and Total Livestock
Wheat and Rye	Sheep, Lambs, Wool and Mohair
Fruits and Nuts	Potatoes and Truck Crops
Hogs	Flax, Soybeans, Peanuts, and Cottonseed
Poultry and Eggs	Rice and Dry Beans
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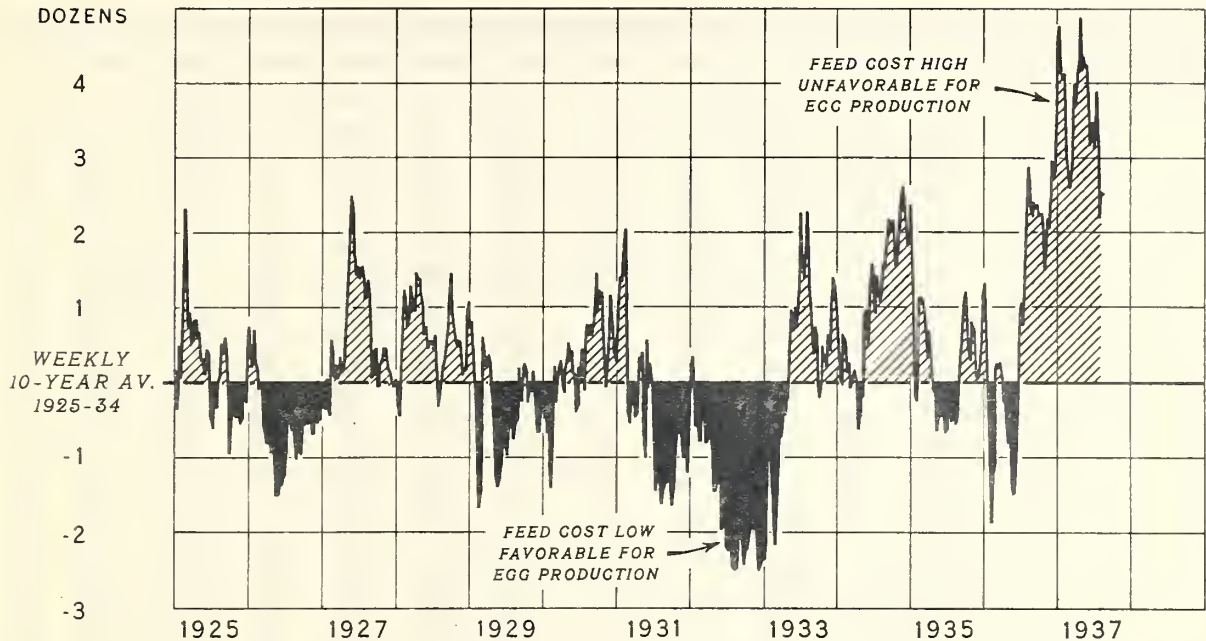
*See "Agricultural Economics Charts," mimeographed, June 1937.

LIST OF POULTRY AND EGG OUTLOOK CHARTS

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FEED-EGG RATIO, 1925 TO DATE



U. S. DEPARTMENT OF AGRICULTURE

NEG. 32471 BUREAU OF AGRICULTURAL ECONOMICS

The feed-egg ratio measures the relationship between feed costs and egg prices. Since feed costs are by far the most important costs of egg production, this relationship is perhaps the most important forecasting device available with respect to the poultry industry.

When the feed-egg ratio is above average (high) it indicates that feed costs are high and to the producer of eggs the situation is unfavorable. Under this circumstance curtailment of egg production is to be expected, the evidence of which appears in several forms. Close culling of laying flocks and heavy marketing of fowl are one evidence of curtailment. A decrease in the number of chicks hatched also reflects the effect of the unfavorable situation on the producers' plans to maintain laying flocks by replacement of hens with pullets.

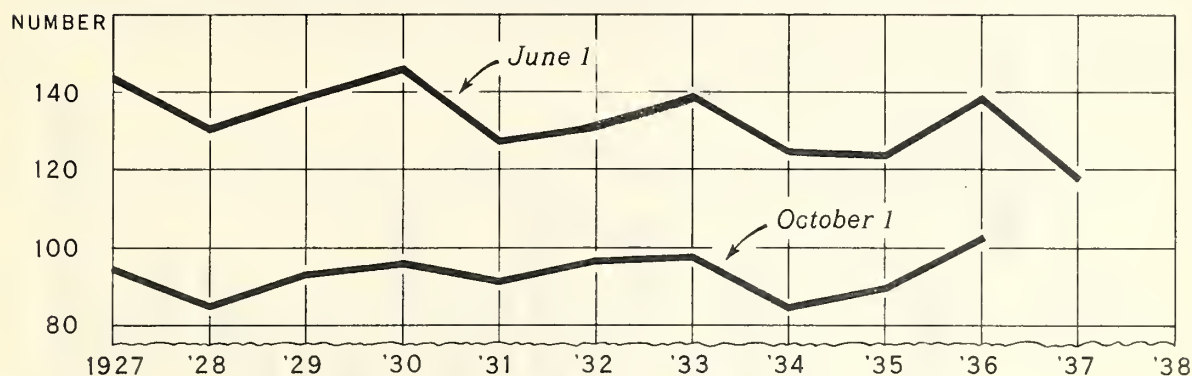
A low feed-egg ratio shows low feed costs relative to egg prices, and a favorable situation for egg producers. More liberal feeding is likely to increase production per hen. Culling is relaxed and marketings of fowl less heavy, especially out of season. Heavy hatchings for replacement reflect the intention of the producer to maintain the laying flocks both in numbers and efficiency.

The feed-egg ratio is calculated weekly from prices quoted at wholesale. Feed prices are in carlots at or near Chicago and include mostly corn and wheat, but barley, bran, and tankage are added, the latter to reflect the cost of animal protein. Although producers do not all use this ration either as to ingredients or the proportions here used for their combination, this group does reflect general changes in feed costs. Egg prices are for fresh graded Firsts at Chicago. This ratio does not represent actual farm conditions but its changes do show changes in the situation on farms in the important egg and poultry producing area in the Northcentral states and more generally for the country as a whole.

Chicago Feed-Egg Ratio - Deviations from ten year weekly average, 1925 - 1934

Week:	10 Yr.:	Ave.:	1925	1926	1927	1928	1929	1930	1931	1932	1933	1934	1935	1936	1937
No.:	1925-34:														
1	4.06	.16	.58	-.09	.03	1.07	-.14	.29	-.54	-2.34	.99	1.88	1.16	3.70	
2	4.23	-.29	.73	-.32	-.05	.75	-.48	.93	.21	-2.18	.71	2.37	1.31	4.56	
3	4.52	-.35	.38	-.33	-.29	.78	-.35	1.19	.33	-1.59	.27	1.62	.64	4.78	
4	4.82	-.14	.21	.04	-.44	.35	-.66	1.40	-.02	-.77	.04	.88	.04	4.21	
5	5.08	.48	.47	-.34	-.01	-.16	-.50	1.38	-.57	-.72	-.01	.58	-.38	4.08	
6	5.29	.07	.70	-.43	.59	-.42	-1.08	1.90	-.57	-1.36	.64	-.17	-1.26	4.11	
7	5.70	.64	.24	.06	.87	-.89	-1.39	2.03	-.76	-1.44	.60	-.23	-1.86	3.56	
8	6.04	1.44	.16	.57	1.24	-1.66	-.74	1.08	-.76	-1.88	.52	.01	-1.24	3.09	
9	6.20	2.30	-.07	.36	1.08	-1.42	-.08	.24	-.45	-2.15	.14	1.10	-1.09	2.97	
10	6.16	1.49	-.03	.07	.77	-.58	.21	-.41	-.06	-1.69	.27	1.11	.13	2.77	
11	6.14	.76	-.10	.24	.88	.60	-.24	-.54	-.20	-1.45	.00	1.11	.25	2.61	
12	6.13	.91	-.57	.07	1.29	.49	-.01	-.15	-.80	-1.16	-.07	1.06	.24	2.94	
13	6.23	.51	-.67	.23	1.17	.21	.14	-.08	-.80	-.73	.03	.87	.25	3.49	
14	6.31	.59	-.80	.34	.99	.31	.29	-.43	-.71	-.71	.17	.67	.07	4.00	
15	6.49	.83	-.80	.17	.96	.36	-.03	-.39	-.53	-.57	.04	.36	-.24	3.76	
16	6.46	.83	-.79	.16	1.45	.26	-.12	.01	-.83	-.39	-.62	.69	-.25	4.07	
17	6.43	.63	-.92	.25	1.40	-.05	.13	.31	-.97	-.42	-.40	.34	-.42	4.37	
18	6.43	.68	-.87	.67	1.38	-.25	.24	.25	-1.44	-.23	-.41	.15	-.59	4.88	
19	6.48	.58	-.97	.96	1.21	-.73	.28	.38	-1.44	-.18	-.14	-.07	-.79	4.19	
20	6.56	.30	-1.18	1.35	1.14	-.97	.50	-.02	-1.35	.40	-.20	-.13	-.70	4.36	
21	6.82	.31	-1.51	1.89	1.06	-1.26	.30	-.66	-1.24	.61	.54	-.39	-1.04	4.28	
22	6.98	.10	-1.78	2.49	.65	-1.39	.41	-1.00	-1.33	.96	.89	-.64	-1.38	4.25	
23	6.87	.43	-1.49	2.27	.74	-1.26	.14	.54	-1.97	.71	.95	-.44	-1.50	3.88	
24	6.76	.41	-1.34	1.76	.46	-.91	.11	-.07	-1.93	1.00	.48	-.44	-1.29	3.19	
25	6.66	.02	-1.34	1.65	.46	-.79	-.37	.25	-1.87	.76	1.25	-.21	-.65	3.25	
26	6.71	-.47	-1.28	1.44	.55	-.73	-.24	.03	-1.72	.98	1.40	-.49	-.39	3.47	
27	6.81	-.62	-1.24	1.55	.54	-.85	.20	-.33	-2.19	1.36	1.56	-.66	.34	3.13	
28	6.76	-.27	-.91	1.40	.46	-.97	.00	-.75	-2.24	2.26	1.06	-.60	.91	3.88	
29	6.61	-.31	-.55	1.43	.63	-.66	.45	-1.44	-2.03	1.60	.92	-.45	1.04	3.19	
30	6.56	-.31	-.39	1.56	.23	-.51	.16	-1.30	-2.23	1.38	1.41	-.21	.79	2.21	
31	6.38	.00	-.50	1.38	.17	-.30	-.10	-1.21	-2.46	1.77	1.28	-.26	1.33	2.52	
32	6.43	.06	-.63	1.13	-.30	-.58	.55	-1.12	-2.50	2.27	1.09	-.51	1.85	2.51	
33	6.18	.50	-.67	1.14	-.15	-.74	.78	-1.60	-2.47	2.06	1.11	-.45	2.57		
34	5.91	.45	-.80	1.37	.07	-.49	.64	-1.44	-2.35	1.21	1.37	-.46	2.89		
35	5.68	.39	-1.01	1.11	.21	-.49	.76	-1.40	-1.97	.89	1.55	-.54	2.31		
36	5.52	.60	-.90	.52	.28	-.20	.64	-1.33	-1.87	.61	1.61	-.43	2.23		
37	5.31	.40	-.92	.07	.48	.18	.87	-1.31	-2.09	.39	1.80	-.08	2.42		
38	5.20	-.18	-.96	.09	.68	-.01	1.05	-1.06	-2.30	.74	1.97	.33	2.38		
39	5.02	-.94	-.72	.41	.76	-.24	1.46	-1.12	-2.40	.63	2.17	.47	2.35		
40	4.67	-.67	-.46	.46	1.13	.14	.97	-1.41	-2.22	-.01	2.05	.67	2.37		
41	4.56	-.35	-.55	-.04	1.43	.25	1.21	-1.63	-2.22	-.18	2.04	1.04	2.23		
42	4.32	-.36	-.48	-.04	.93	.16	1.05	-1.35	-2.05	-.01	2.16	1.20	2.24		
43	4.24	-.46	-.54	.21	.82	-.24	1.20	-1.13	-1.95	.47	1.58	.88	2.12		
44	3.97	-.45	-.43	.26	.57	-.03	.79	-.80	-1.94	.37	1.62	.46	1.88		
45	3.79	-.34	-.46	.36	.50	-.07	.40	-.61	-1.94	.36	1.81	.29	1.52		
46	3.60	-.46	-.57	.45	.55	-.10	.25	-.52	-1.87	.21	2.08	.80	2.19		
47	3.60	-.54	-.68	.46	.54	.13	-.06	-.73	-1.96	.65	2.23	.72	2.07		
48	3.64	-.47	-.66	.43	.34	-.13	.28	-.91	-1.98	.55	2.50	.38	2.28		
49	3.92	-.21	-.26	.18	.10	-.33	.70	-1.00	-2.27	.43	2.62	.09	2.52		
50	4.13	-.16	-.53	.14	.13	-.65	1.15	-.98	-2.50	1.06	2.29	.05	2.95		
51	4.18	-.25	-.35	.01	.17	-.65	.85	-.91	-2.40	1.38	2.14	.23	2.75		
52	4.16	.09	-.50	-.06	.87	-.42	.43	-1.20	-2.33	1.26	1.84	.60	2.82		

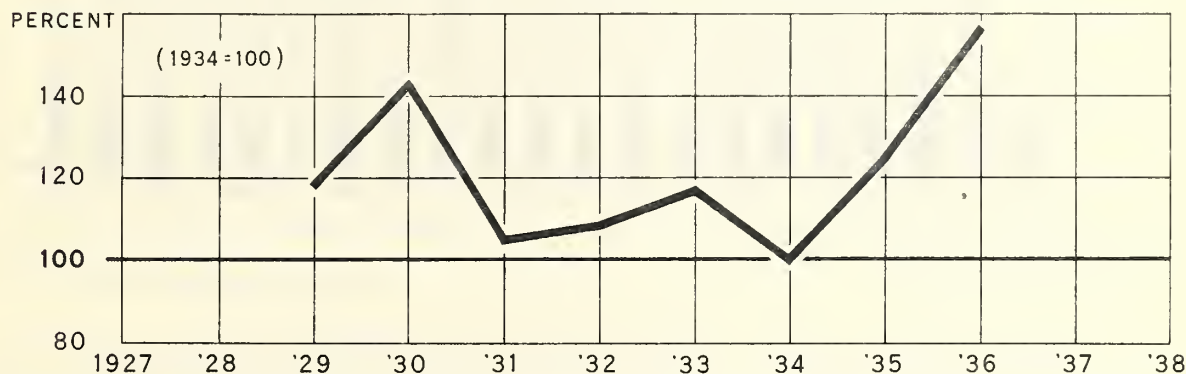
CHICKS AND YOUNG CHICKENS: NUMBER PER FARM FLOCK, JUNE 1 AND OCTOBER 1



U. S. DEPARTMENT OF AGRICULTURE

NEG. 32478 BUREAU OF AGRICULTURAL ECONOMICS

SALABLE CHICKS HATCHED IN COMMERCIAL HATCHERIES



U. S. DEPARTMENT OF AGRICULTURE

NEG. 32479 BUREAU OF AGRICULTURAL ECONOMICS

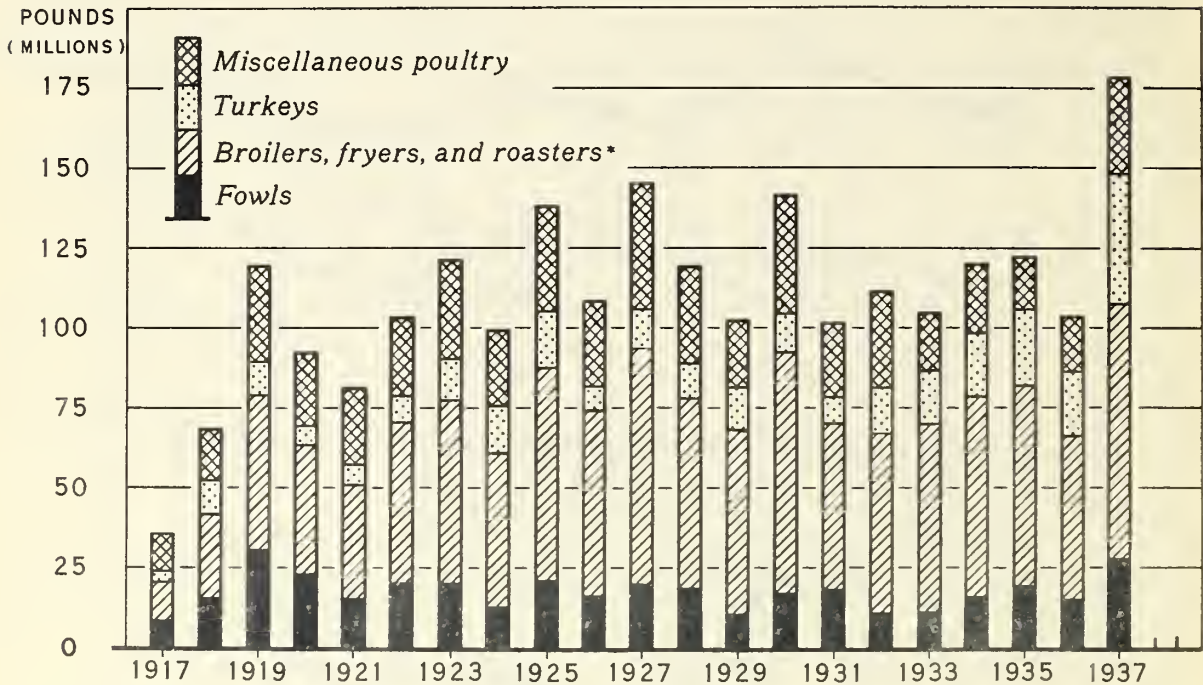
The number of chicks in farm flocks has moved in a three year cycle since 1927 reaching peaks in 1927, 1930, 1933, and 1936. Should this tendency continue, 1937 is the first year of a new cycle to reach a peak in 1939. There is a regular, although not exactly proportional relationship between the number of chicks in flocks at the close of the hatching season and the number on October 1, at about the time of year when the substitution of pullets for hens in laying flocks usually begins.

Chicks hatched in commercial hatcheries show the same tendency to change from year to year, but the demand for hatchery chicks changes more than the total number in farm flocks would indicate. Farm hatchings, from year to year, are relatively much more stable.

Chicks and young chickens in farm flocks and salable chicks hatched in commercial hatcheries

Year	Young chickens in farm flocks					Salable chicks hatched in commercial hatcheries (1934 = 100)
	April 1	May 1	June 1	July 1	October 1	
	Young chicks	Young chicks	Young chicks	Young chicks	Young Chickens	Percent
1927	43.5	104.2	143.8	147.1	94.3	
1928	36.1	88.7	130.2	133.1	85.1	
1929	29.2	87.9	138.3	144.7	93.2	
1930	41.7	107.7	145.7	144.0	96.0	118.5
1931	36.6	84.8	127.3	129.3	91.4	142.8
1932	38.2	83.6	130.6	137.5	96.6	104.8
1933	32.5	89.6	138.7	141.5	97.6	108.2
1934	26.1	76.6	124.4	127.0	84.6	117.0
1935	30.1	84.2	123.6	130.3	89.5	100.0
1936	29.3	88.4	138.0	144.4	102.0	124.7
1937	32.6	82.4	117.8			156.1
						127.2

POULTRY, FROZEN: COLD-STORAGE HOLDINGS, FEBRUARY 1, 1917-37



*PRIOR TO 1926 FRYERS WERE INCLUDED AMONG BROILERS, ROASTERS, OR MISCELLANEOUS POULTRY

U. S. DEPARTMENT OF AGRICULTURE

NEG. 26383 BUREAU OF AGRICULTURAL ECONOMICS

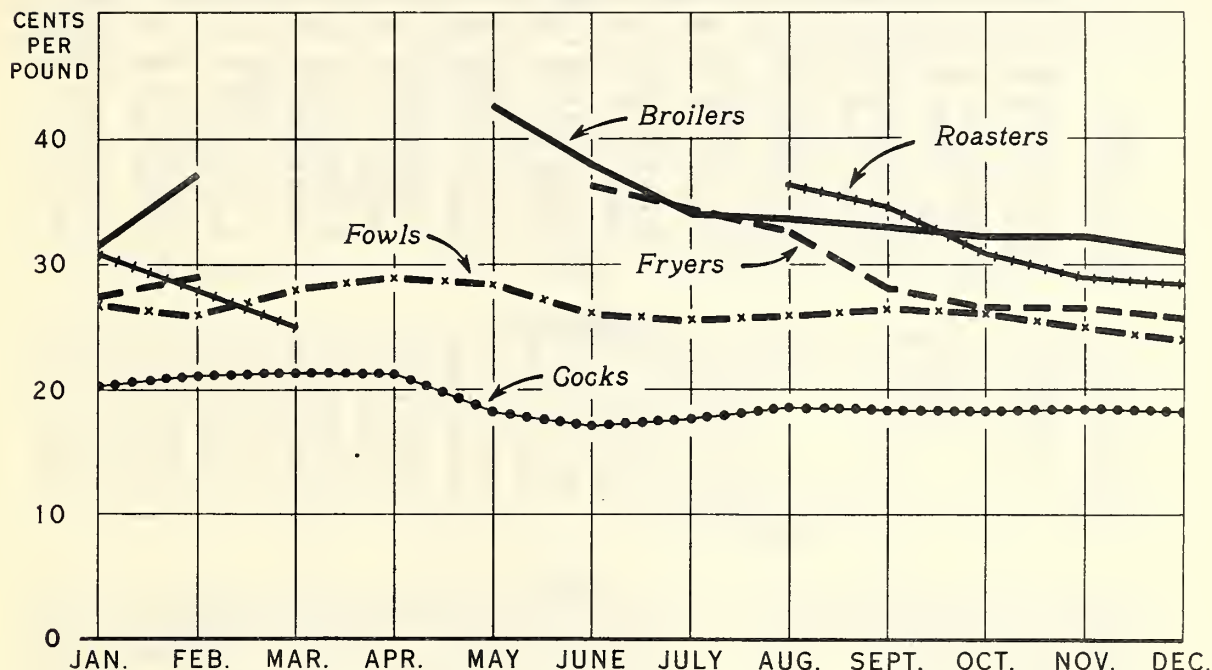
The amount of poultry in cold storage has an important effect on the level of poultry prices. If the stock is large, prices are depressed; if small, prices, other factors considered, will be somewhat higher. Stocks in cold storage increase during the heavy poultry marketing season in the fall and early winter, usually reaching the seasonal peak sometime in January. The reduction in stocks take place between January and September, usually reaching their lowest level sometime in August.

Miscellaneous poultry includes all kinds and is reported in this manner because storage warehousemen cannot report a complete classification for the entire stock. Ducks and geese, as well as old roosters (cocks) are included in the miscellaneous classification.

Poultry: Storage holdings of frozen poultry on February 1.

Classification	1928	1929	1930	1931	1932	1933	1934	1935	1936	1937
	1,000 lbs.	1,000 lbs.	1,000 lbs.	1,000 lbs.	1,000 lbs.	1,000 lbs.	1,000 lbs.	1,000 lbs.	1,000 lbs.	1,000 lbs.
Fowl . . .	19,101	10,965	17,649	18,402	11,041	11,490	16,113	19,859	15,456	27,983
Broilers . .	14,285	15,371	21,847	13,057	14,481	10,031	13,343	18,186	8,819	24,898
Fryers . . .	9,045	9,171	11,669	9,333	8,543	12,893	11,862	14,079	12,288	18,118
Roasters . .	35,600	32,993	41,344	30,564	33,005	35,722	37,519	30,009	29,686	36,407
Turkeys . .	10,966	13,058	11,946	7,018	14,273	16,728	19,941	23,516	20,541	40,841
Misc. . . .	29,157	20,822	37,097	22,933	30,211	17,969	21,399	16,636	17,043	30,057
TOTAL . .	118,154	102,380	141,552	101,307	111,554	104,833	120,177	122,285	103,833	178,304

DRESSED POULTRY, BY CLASSES, AT NEW YORK CITY; AVERAGE MONTHLY WHOLESALE PRICES, 1921-32



U. S. DEPARTMENT OF AGRICULTURE

NEG. 26032 BUREAU OF AGRICULTURAL ECONOMICS

Poultry is marketed in largest volume toward the close of the year. The effect of this increase in marketings is shown in the seasonal trend of prices. In May, broilers are scarce and prices are high but prices fall rapidly as the season advances and the supply increases. The same is true of the other two classes of young poultry, fryers, and roasters. Roasters are the heaviest of the young chickens and those which are not sold as fryers or broilers eventually become either roasters or later cocks. After the first of the year the volume of marketings declines and prices rise. Roasters however, become "staggy" as they advance in age and prices decline after the first of the year approaching the level of prices for cocks. Fowl are sold in considerable volume all the year but the seasonal of fowl marketing is low during the spring months when egg production is highest, and fowl prices are highest during those months. Culling of laying flocks increases fowl marketings and depresses prices in June and July. At the close of the year pullets are substituted for fowl in the laying flocks and fowl marketings are again heavy and prices are again depressed.

Poultry, dressed:- Twelve-year monthly average prices by classes at New York City,
1921 - 1932

Class	Jan.	Feb.	Mar.	Apr.	May	June	July	Aug.	Sept.	Oct.	Nov.	Dec.
	Cents	Cents	Cents	Cents	Cents	Cents	Cents	Cents	Cents	Cents	Cents	Cents
Fowls	26.69	26.91	27.90	28.93	28.37	26.13	25.36	25.85	26.36	25.93	24.83	23.93
Br'lers	31.46	37.04	-	-	42.54	37.90	33.94	33.46	32.83	32.17	32.10	30.98
Fryers	27.39	28.86	-	-	-	36.34	34.22	32.60	28.10	26.45	26.39	25.52
Ro'ters	30.87	27.96	24.93	21.18	-	-	-	36.21	34.50	30.77	28.96	28.36
Cocks	20.18	21.10	21.34	21.18	18.32	17.12	17.63	18.55	18.28	18.15	18.39	18.10
Weighted Ave.	27.97	27.24	27.38	28.65	29.50	28.19	27.58	29.14	29.28	27.79	26.62	25.66

Poultry, fresh dressed: Average monthly prices at New York City, 1930 - 1937

POWL													
Year	Jan.	Feb.	Mar.	Apr.	May	June	July	Aug.	Sept.	Oct.	Nov.	Dec.	Weighted average
	Cents	Cents	Cents	Cents	Cents	Cents	Cents	Cents	Cents	Cents	Cents	Cents	Cents
1930	30.72	30.60	29.64	30.16	28.40	25.10	24.72	25.04	25.80	25.02	24.24	23.60	25.82
1931	25.38	23.02	24.44	25.26	23.20	24.00	23.20	24.14	24.00	22.50	22.80	20.40	23.29
1932	21.10	20.60	20.80	19.90	18.90	17.40	17.04	17.08	18.56	16.46	16.86	15.14	18.05
1933	16.00	15.40	15.10	16.20	16.12	14.56	14.60	14.00	14.86	13.98	13.40	13.80	14.72
1934	14.98	15.18	16.58	18.00	17.50	16.13	15.48	16.71	18.20	17.04	17.20	17.01	16.66
1935	19.08	20.40	21.18	23.02	23.84	21.49	19.69	21.04	23.41	22.53	22.43	23.71	21.92
1936	24.38	24.14	24.08	24.21	23.56	22.38	21.73	21.16	21.28	20.33	19.82	19.00	21.90
1937	20.48	19.60	21.15	21.98	21.25								

BROILERS													
1930	32.80	43.75	45.40	44.30	36.25	31.55	27.80	30.55	32.10	31.25	29.70	29.50	31.20
1931	29.30	29.10	-	-	37.35	32.80	30.05	31.80	30.65	27.80	27.50	21.00	30.80
1932	22.20	22.50	-	-	22.20	21.90	20.90	20.75	22.95	22.05	21.35	18.80	21.60
1933	17.00	19.20	-	-	23.25	20.00	18.90	18.00	18.35	18.30	16.70	16.70	18.87
1934	17.40	-	-	-	24.50	25.62	21.04	21.13	22.80	22.10	21.00	20.55	22.35
1935	-	-	-	-	-	22.46	19.25	21.42	25.82	26.98	27.50	26.00	23.22
1936	-	-	-	31.25	28.67	28.38	26.23	24.98	21.64	19.60	20.28	20.50	24.82
1937	-	-	-	-	24.32								

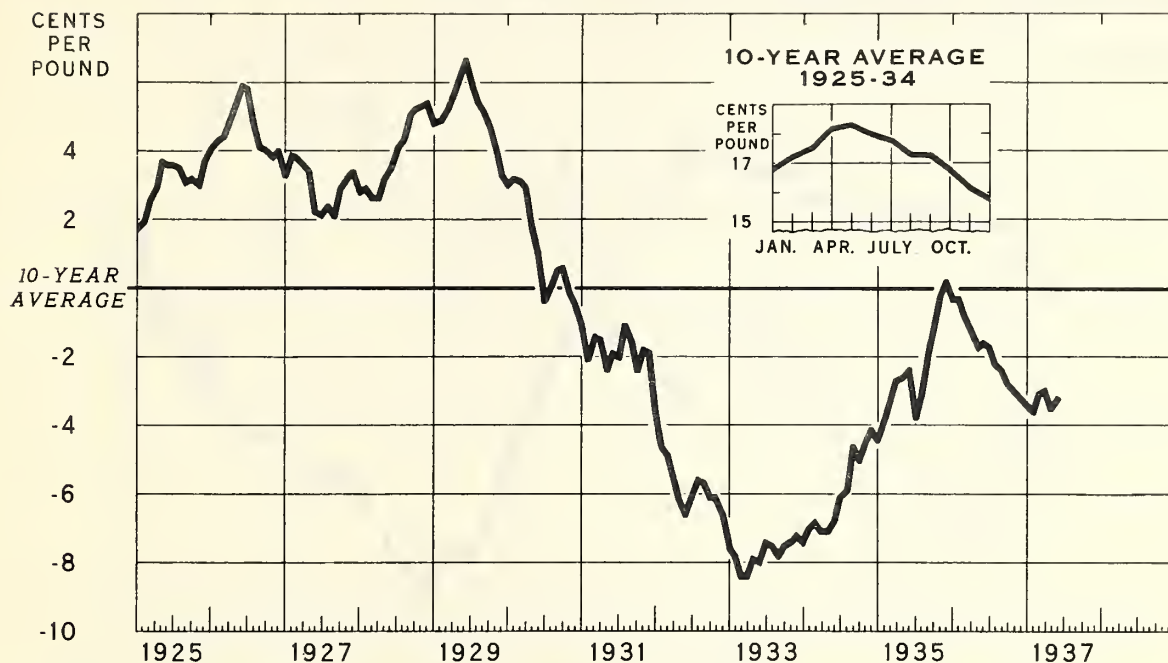
FRIERS													
1930	28.80	41.30	44.10	-	-	32.14	33.20	31.80	27.60	24.80	25.20	24.00	27.59
1931	26.30	26.10	-	-	-	34.03	33.70	33.50	23.90	21.70	22.00	19.00	25.26
1932	20.20	21.00	-	-	-	25.00	21.10	19.10	17.40	15.70	15.30	13.80	17.23
1933	14.90	16.00	-	-	-	21.10	19.80	17.60	16.10	14.60	14.40	14.20	16.01
1934	14.90	15.00	-	-	-	27.73	24.68	23.81	20.30	19.00	18.26	18.00	20.49
1935	18.62	19.00	-	-	-	25.07	23.62	24.44	22.31	23.13	23.50	23.50	23.33
1936	23.50	-	-	-	27.50	28.27	26.86	21.65	20.56	20.90	20.55	18.12	21.74
1937	19.88	-	-	-	25.00								

ROASTERS													
1930	31.63	25.98	23.02	-	-	-	36.00	35.80	36.80	28.25	27.80	27.00	28.99
1931	29.30	28.70	19.38	-	-	-	37.70	39.00	30.95	26.35	25.00	22.00	26.04
1932	22.60	22.50	22.00	-	-	-	25.40	25.75	22.20	17.95	17.25	15.80	18.78
1933	15.90	16.50	12.16	-	-	-	22.00	24.00	22.50	17.40	16.60	17.00	17.48
1934	17.90	18.00	18.00	-	-	-	26.43	26.00	25.90	21.25	21.80	22.36	21.74
1935	23.95	24.33	-	-	-	-	-	28.34	26.28	25.25	25.79	26.79	25.86
1936	27.00	28.00	-	-	-	-	30.30	29.67	27.22	24.19	23.55	21.52	24.40
1937	22.12	-	-	-	-								

COCKS													
1930	22.53	22.77	22.00	19.80	17.23	17.07	16.83	18.27	17.37	16.83	19.33	17.40	18.38
1931	17.80	18.17	18.00	18.60	16.13	15.00	15.00	16.43	15.90	13.87	13.67	13.06	15.50
1932	13.17	13.00	12.10	12.00	9.40	9.97	11.93	11.53	11.60	11.00	11.00	10.90	11.22
1933	10.00	11.00	11.00	11.00	11.00	10.70	10.00	10.00	10.00	10.00	9.50	9.00	10.16
1934	9.30	10.00	10.00	10.33	10.37	9.50	10.12	10.69	12.60	13.00	13.00	12.80	11.12
1935	14.26	16.48	16.77	17.85	16.71	16.17	15.27	16.13	17.71	18.00	18.00	18.18	16.82
1936	19.06	19.75	21.02	19.25	16.50	16.60	17.36	17.29	16.47	16.15	16.14	15.03	17.07
1937	15.46	15.83	15.55	15.72	14.72								

ALL CHICKENS													
1930	30.85	30.06	28.63	29.78	28.78	26.18	25.91	28.04	29.35	26.23	25.73	24.85	27.34
1931	26.55	24.18	23.66	25.02	24.47	25.61	25.28	28.37	26.34	23.75	23.44	20.74	24.42
1932	21.40	20.86	20.77	19.61	18.84	18.29	17.98	18.78	19.64	17.02	16.79	15.28	18.22
1933	15.85	15.61	14.64	16.01	16.69	15.68	15.76	16.23	17.22	15.37	14.73	14.93	15.61
1934	15.83	15.62	16.62	17.72	17.96	18.09	17.29	19.45	20.87	18.97	19.06	18.99	18.36
1935	20.51	21.05	21.07	22.84	23.49	21.65	19.88	22.30	24.06	23.68	23.86	24.73	22.81
1936	25.08	24.03	24.00	24.59	23.81	23.42	23.23	22.67	22.43	21.54	21.27	19.79	22.46
1937	20.89	19.50	21.01	21.75	21.53								

CHICKENS: PRICES RECEIVED BY PRODUCERS, CENTS PER POUND ABOVE OR BELOW 10-YEAR AVERAGE, 15TH DAY OF MONTH



U. S. DEPARTMENT OF AGRICULTURE

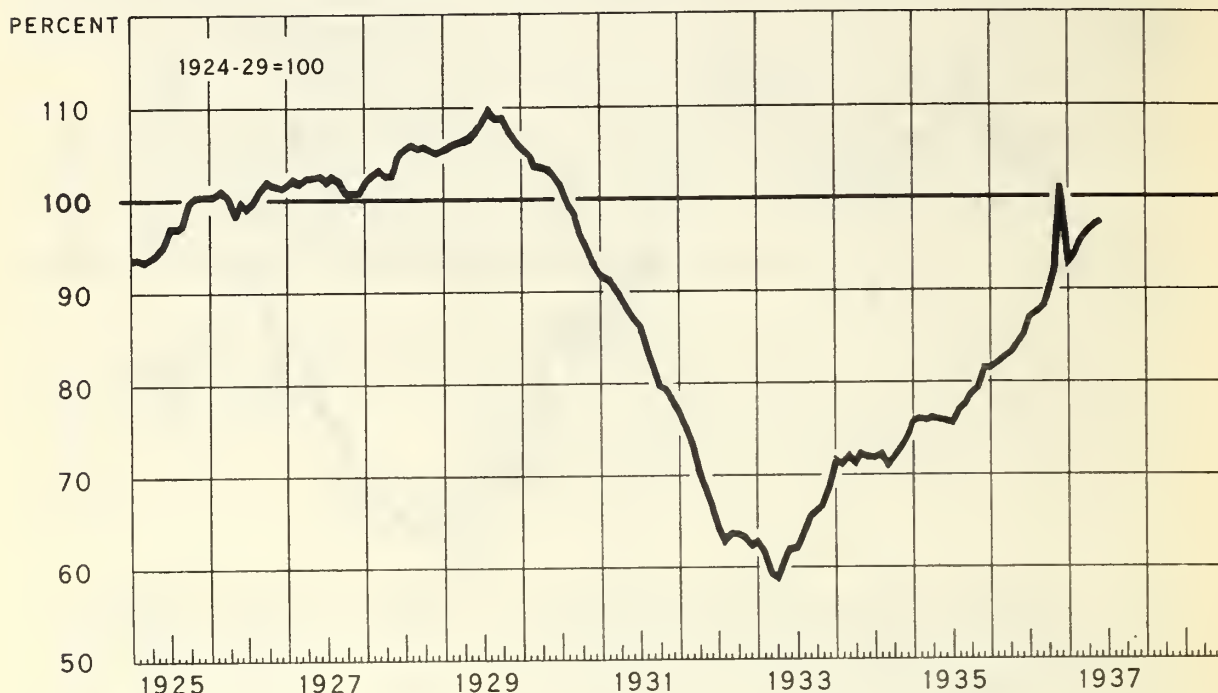
NEG. 32487 BUREAU OF AGRICULTURAL ECONOMICS

Prices received by producers of chickens declined very rapidly after 1929, but also started to rise early in 1933. In 1934 the hatch was small and poultry supplies were further reduced by sale at light weights, due to drought, and prices advanced rapidly. In 1936 the hatch was very large and again there was heavy sales of poultry under pressure of drought but in this instance the large supplies available for sale together with a very large volume of turkeys, were sufficient to drive chicken prices to lower levels. The large stocks of dressed poultry in cold storage were sufficient to continue the price depressing effect of larger supplies even after the peak of marketing had passed.

Chickens:- Estimated average price per pound received by producers, 15th of month
(10 Year average and difference above or below average)

Year :	Jan. :	Feb. :	Mar. :	Apr. :	May :	June :	July :	Aug. :	Sept. :	Oct. :	Nov. :	Dec. :
Ave.)												
1925-(	16.8	17.2	17.5	18.2	18.3	18.0	17.8	17.3	17.3	16.8	16.2	15.8
1934)												
1925	1.7	1.9	2.5	2.9	3.7	3.6	3.6	3.5	3.1	3.2	3.0	3.7
1926	4.1	4.3	4.4	4.9	5.4	5.9	5.8	4.8	4.1	4.0	3.8	4.0
1927	3.3	3.9	3.8	3.6	3.4	2.2	2.1	2.4	2.1	2.9	3.2	3.4
1928	2.8	2.9	2.6	2.6	3.2	3.5	4.1	4.3	5.0	5.2	5.3	5.4
1929	4.8	4.9	5.2	5.6	6.1	6.6	5.9	5.4	5.1	4.7	4.1	3.3
1930	3.0	3.2	3.1	2.9	1.7	1.0	- .4	0	.5	.6	- .1	- .5
1931	- 1.1	- 2.1	- 1.4	- 1.5	- 2.4	- 1.9	- 2.0	- 1.1	- 1.6	- 2.4	- 1.8	- 1.9
1932	- 3.5	- 4.6	- 4.9	- 5.6	- 6.1	- 6.6	- 6.1	- 5.6	- 5.7	- 6.1	- 6.1	- 6.6
1933	- 7.5	- 7.8	- 8.4	- 8.4	- 7.9	- 8.0	- 7.4	- 7.5	- 7.8	- 7.5	- 7.4	- 7.2
1934	- 7.4	- 7.0	- 6.8	- 7.1	- 7.1	- 6.8	- 6.1	- 5.9	- 4.6	- 5.0	- 4.5	- 4.1
1935	- 4.4	- 3.8	- 3.3	- 2.7	- 2.6	- 2.4	- 3.8	- 3.2	- 1.9	- 1.1	- .3	.2
1936	- .3	- .3	- .9	- 1.3	- 1.7	- 1.6	- 1.7	- 2.2	- 2.4	- 2.8	- 3.0	- 3.2
1937	- 3.4	- 3.6	- 3.1	- 3.0	- 3.5	- 3.2						

NATIONAL INCOME, EXCLUDING AGRICULTURE, 1925-37



U. S. DEPARTMENT OF AGRICULTURE

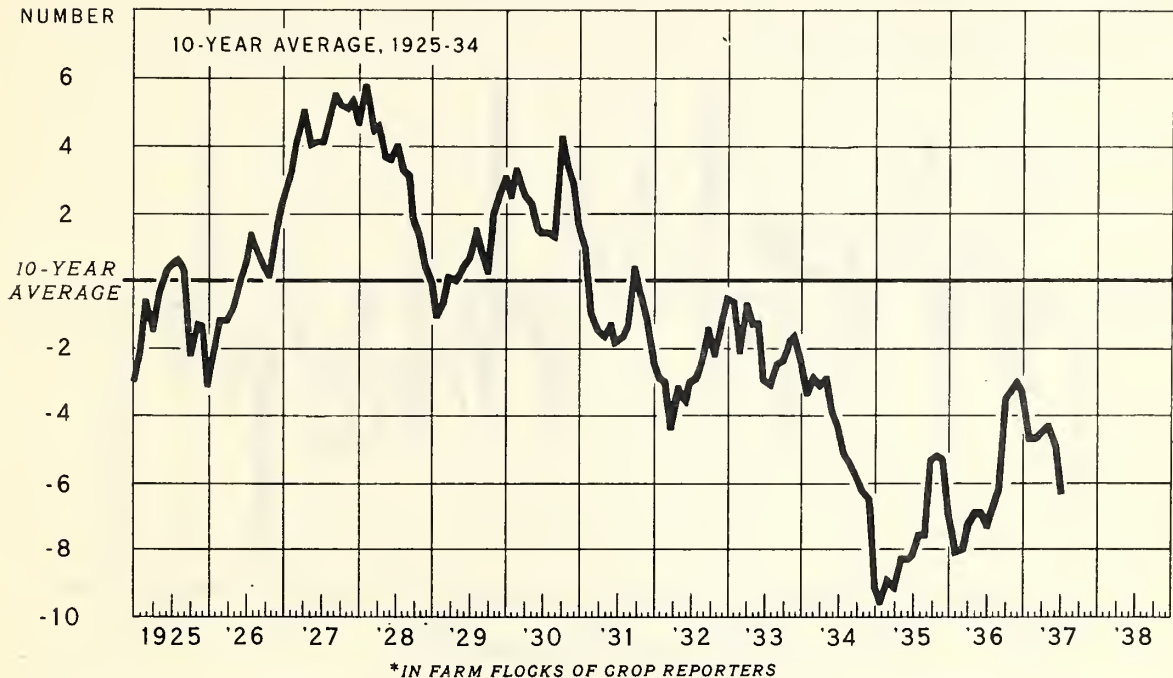
NEG. 32472 BUREAU OF AGRICULTURAL ECONOMICS

Income is closely related to prices. Incomes of urban people determine the amount of money available for purchasing commodities and many of these are the products of the farms. As income rise, prices also rise, including prices of farm products. Incomes have been rising since 1933 and farm prices, in general, have advanced to higher levels. A continuation of this increase in incomes may be expected to be accompanied by further advances in farm prices, including prices of poultry products.

Nonagricultural Income, 1925 - 1937
(Seasonally corrected indexes, 1924-29 = 100)*

Year	Jan.	Feb.	Mar.	Apr.	May	June	July	Aug.	Sept.	Oct.	Nov.	Dec.	Weighted average
1925	93.6	93.6	93.4	93.8	94.3	95.1	96.9	96.9	97.1	99.7	100.3	100.3	96.2
1926	100.3	100.6	101.0	100.3	98.4	99.7	99.1	99.8	100.9	101.9	101.6	101.3	100.4
1927	101.6	102.2	101.8	102.3	102.3	102.4	102.0	102.4	102.0	100.7	100.7	100.7	101.8
1928	101.8	102.4	103.1	102.6	102.6	104.4	105.2	105.7	105.4	105.5	105.3	105.0	104.1
1929	105.1	105.7	105.9	106.2	106.5	106.9	108.0	109.3	108.7	108.6	107.1	106.3	107.0
1930	105.5	104.6	103.7	103.4	103.2	102.2	101.2	99.3	98.2	96.2	94.6	92.8	100.4
1931	91.5	91.2	90.5	89.7	88.3	87.0	85.7	83.6	81.8	79.9	79.0	77.7	85.5
1932	76.8	75.2	73.2	71.0	68.9	66.2	64.0	62.9	63.6	63.5	63.4	62.3	67.6
1933	62.6	61.5	59.4	58.9	60.3	61.9	62.0	63.9	65.3	65.8	66.6	68.4	63.0
1934	71.5	71.1	71.9	71.2	72.2	71.9	71.8	72.1	71.0	71.8	72.5	73.5	71.9
1935	75.4	75.9	75.8	76.1	75.8	75.7	75.5	76.7	77.3	78.4	79.3	81.5	77.0
1936	81.5	81.9	82.5	83.1	84.1	85.1	86.8	87.4	87.9	89.8	92.6	100.9	87.0
1937	92.9	93.9	95.3	96.3	96.9	97.2							

HENS AND PULLETS OF LAYING AGE*: NUMBER PER FARM FLOCK ABOVE OR BELOW 10-YEAR AVERAGE, 1ST DAY OF MONTH, 1925-37



U. S. DEPARTMENT OF AGRICULTURE

NEG. 32473

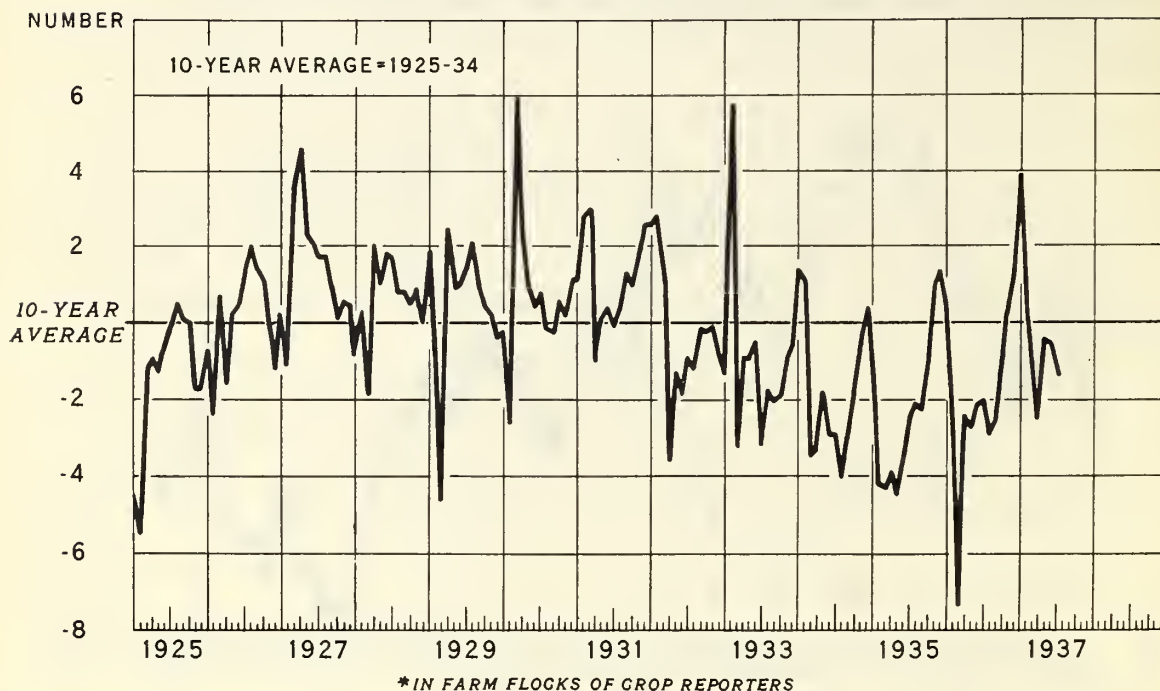
BUREAU OF AGRICULTURAL ECONOMICS

Low egg prices discouraged producers and after 1930 the average size of farm flocks was reduced. The severe drought in 1934 with its attendant feed shortage caused another reduction in farm laying flocks, especially in the North and South Central States. Since early 1935 there has been a tendency for flocks to increase in size but this increase would have been much greater had it not been checked in late 1936 by another severe drought followed by high feed prices in early 1937. Higher egg prices and reduced feed prices are likely to increase the size of laying flocks.

Hens and Pullets in farm flocks of Crop Reporters on the first day of the month, 1925-1937
(10 Year average and difference above or below average)

Year :	Jan. :	Feb. :	Mar. :	Apr. :	May :	June :	July :	Aug. :	Sept. :	Oct. :	Nov. :	Dec. :
Ave.)												
1925-(	87.5	87.2	84.7	82.0	77.4	73.4	69.6	66.8	66.1	70.4	75.7	81.9
1934)												
1925	- 3.0	- 2.1	- .6	- 1.5	- .4	.3	.5	.6	.3	- 2.2	- 1.3	- 1.4
1926	- 3.2	- 2.0	- 1.2	- 1.2	- .8	0	1.4	1.1	.8	.4	.1	1.3
1927	2.4	3.2	4.2	5.0	4.0	4.1	4.1	4.8	5.5	5.2	5.1	5.4
1928	4.6	5.8	4.4	4.6	3.7	3.6	4.0	3.3	3.1	1.8	1.3	.4
1929	0	- 1.1	- .7	.1	0	.4	.7	1.5	.8	.2	2.0	2.5
1930	3.1	2.5	3.3	2.5	2.2	1.5	1.4	1.4	1.3	4.2	3.4	2.8
1931	1.7	.9	- 1.0	- 1.5	- 1.7	- 1.4	- 1.9	- 1.7	- 1.3	.4	- .5	- 1.2
1932	- 2.5	- 2.9	- 3.1	- 4.4	- 3.2	- 3.6	- 3.0	- 2.9	- 2.3	- 1.4	- 2.2	- 1.3
1933	- .5	- .6	- 2.1	- .7	- 1.3	- 1.3	- 3.0	- 3.1	- 2.5	- 2.4	- 1.9	- 1.6
1934	- 2.3	- 3.4	- 2.9	- 3.1	- 2.9	- 4.0	- 4.3	- 5.2	- 5.5	- 5.9	- 6.3	- 6.5
1935	- 9.2	- 9.6	- 8.9	- 9.1	- 8.3	- 8.3	- 8.2	- 7.6	- 7.6	- 5.3	- 5.2	- 5.3
1936	- 6.9	- 8.1	- 8.0	- 7.2	- 6.9	- 6.9	- 7.3	- 6.8	- 6.2	- 3.5	- 3.3	- 3.0
1937	- 3.3	- 4.7	- 4.7	- 4.5	- 4.3	- 4.9	- 6.3					

EGGS LAID PER FARM FLOCK*; NUMBER ABOVE OR BELOW 10-YEAR AVERAGE 1ST DAY OF MONTH, 1925-37



U. S. DEPARTMENT OF AGRICULTURE

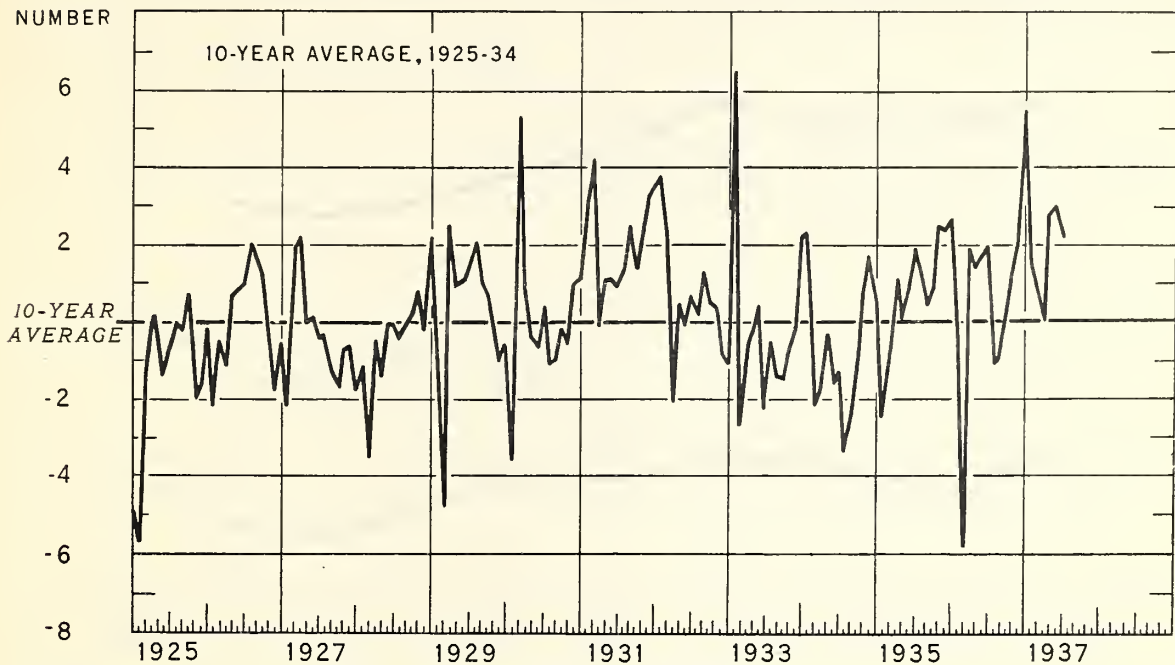
NEG. 32474 BUREAU OF AGRICULTURAL ECONOMICS

The number of eggs produced, results from the average size of farm laying flocks and the average rate of production per laying bird. The average size of farm laying flocks increases when egg prices are high and feed costs are relatively low, but declines with low egg prices or when feed costs are relatively high. The average rate of production per hen is influenced mostly by the age of the hen, the amount and quality of feed, the weather, and general health of the flock. Some increases in production of eggs per flock is apparent since 1935 but rising feed costs have checked the increase in flock size that might have otherwise resulted from higher egg prices.

Eggs: - Number laid daily per farm flock on first day of month - U. S.
(10 Year average and difference above or below average)

Year	Jan.	Feb.	Mar.	Apr.	May	June	July	Aug.	Sept.	Oct.	Nov.	Dec.
Ave.)												
1925-)	14.6	21.1	32.7	43.2	42.2	35.9	29.2	24.5	21.1	17.6	13.0	11.5
1934)												
1925	- 4.5	- 5.5	- 1.2	- .9	- 1.3	- .8	- .1	.5	.1	0	- 1.7	- 1.7
1926	- .7	- 2.4	.7	- 1.6	.2	.5	1.4	2.0	1.4	1.1	- .2	- 1.2
1927	.2	- 1.1	3.5	4.6	2.3	2.1	1.7	1.7	.9	.1	.6	.5
1928	- .8	.3	- 1.8	2.0	1.0	1.8	1.7	.8	.8	.5	.9	0
1929	1.8	- 1.1	- 4.6	2.4	.9	1.0	1.4	2.1	.9	.4	.2	- .4
1930	- .2	- 2.6	5.9	2.3	1.0	.4	.8	- .1	- .2	.6	.2	1.1
1931	1.1	2.8	3.0	- 1.0	.1	.4	- .1	.4	1.3	1.0	1.7	2.6
1932	2.6	2.8	1.2	- 3.6	- 1.3	- 1.8	- .9	- 1.2	- .1	- .2	- .1	- .9
1933	- 1.3	5.7	- 3.2	- .9	- .9	- .5	- 3.2	- 1.8	- 2.0	- 1.9	- .9	- .5
1934	1.4	1.1	- 3.5	- 3.3	- 1.8	- 2.9	- 2.9	- 4.0	- 3.0	- 1.8	- .4	.4
1935	- 1.2	- 4.2	- 4.3	- 3.9	- 4.5	- 3.6	- 2.4	- 2.1	- 2.2	- .9	1.0	1.3
1936	.5	- 2.4	- 7.3	- 2.4	- 2.7	- 2.1	- 2.0	- 2.9	- 2.5	- .9	.3	1.3
1937	3.9	.5	- 1.0	- 2.5	- .4	- .5						

EGGS LAID PER 100 HENS AND PULLETS OF LAYING AGE*: NUMBER ABOVE OR BELOW 10-YEAR AVERAGE, 1ST DAY OF MONTH, 1925-37



* IN THE FARM FLOCKS OF CROP REPORTERS

U. S. DEPARTMENT OF AGRICULTURE

NEG. 32475 BUREAU OF AGRICULTURAL ECONOMICS

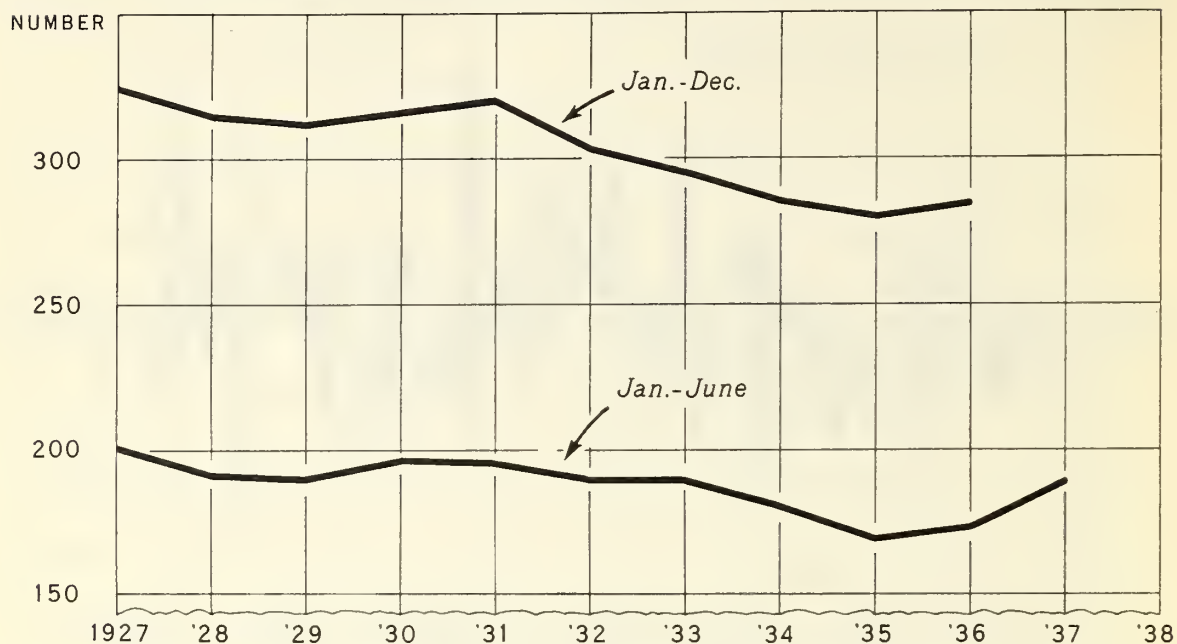
Egg production per 100 layers is an important factor in total egg production. Weather, during January, February, and March, has a very important bearing on the change in rate of production and the change in these months is very erratic. During severe winters like 1929 and 1936, production per 100 layers is likely to be below average while in mild winters such as in 1931 and 1937, it is higher. The proportion of pullets to old hens in the make up of the flock is also a consideration of importance since chickens usually produce more eggs during the first laying year than in any other. Feed of course is important and in years when egg prices are sufficiently high the amount of feed used is likely to be increased, as well as the care which is given its preparation, and to other matters of flock management.

Eggs laid per 100 Hens and Pullets on the first day of each month - U.S.

(10 Year average and difference above or below average)

Year	Jan.	Feb.	Mar.	Apr.	May	June	July	Aug.	Sept.	Oct.	Nov.	Dec.
Ave.												
1925-34	16.5	24.2	38.4	52.8	55.1	49.5	42.2	36.9	32.4	25.0	17.0	13.9
1925	-4.9	-5.7	-1.3	.1	-1.0	-1.4	-0.7	0	-0.2	0.7	-2.0	-1.7
1926	-0.2	-2.2	-0.5	-1.2	0.7	0.8	1.0	2.0	1.6	-1.2	-0.5	-1.8
1927	-0.5	-2.2	1.9	2.2	0	0.1	-0.4	-0.3	-1.3	-1.7	-0.7	-0.6
1928	-1.8	-1.2	-3.5	-0.4	-1.4	0	0	-0.4	-0.1	0.2	0.8	-0.2
1929	2.2	-1.2	-4.8	2.5	0.9	1.0	1.4	2.1	1.0	0.7	-0.1	-1.0
1930	-0.5	-3.6	5.3	1.0	-0.4	-0.7	0.4	-1.1	-1.0	-0.2	-0.6	1.0
1931	1.1	3.0	4.2	-0.1	1.1	1.1	0.9	1.3	2.5	1.3	2.4	3.2
1932	3.5	3.8	2.4	-2.1	0.5	-0.1	0.7	0.2	1.3	0.5	0.4	-0.8
1933	-1.1	6.5	-2.7	-0.5	-0.2	0.4	-2.3	-0.5	-1.4	-1.5	-0.7	-0.2
1934	2.2	2.3	-2.2	-1.7	-0.3	-1.6	-1.3	-3.4	-2.3	-0.7	0.7	1.7
1935	0.4	-2.5	-1.1	1.1	0.1	0.8	1.9	1.3	0.4	0.9	2.5	2.4
1936	2.6	-0.2	-5.8	1.9	1.4	1.7	2.0	-1.1	-1.0	0.1	1.1	2.1
1937	5.5	1.5	0.8	0	2.7	3.0	2.2					

EGGS LAID PER FARM FLOCK: NUMBER ON 1ST DAY OF MONTH JAN.-JUNE AND JAN.-DEC., 1927-37



U. S. DEPARTMENT OF AGRICULTURE

NEG. 32477 BUREAU OF AGRICULTURAL ECONOMICS

Egg production during the first six months of the year is usually slightly more than 60 percent of total annual production. These first six months include March, April, May and June when, for most sections of the United States, egg production is at its peak. If production during this period indicates an increase or decrease as compared with another year, total production may be expected to show an increase or decrease by the same comparison.

Eggs laid per farm flock on the first day of the month for January to June as percent of annual total

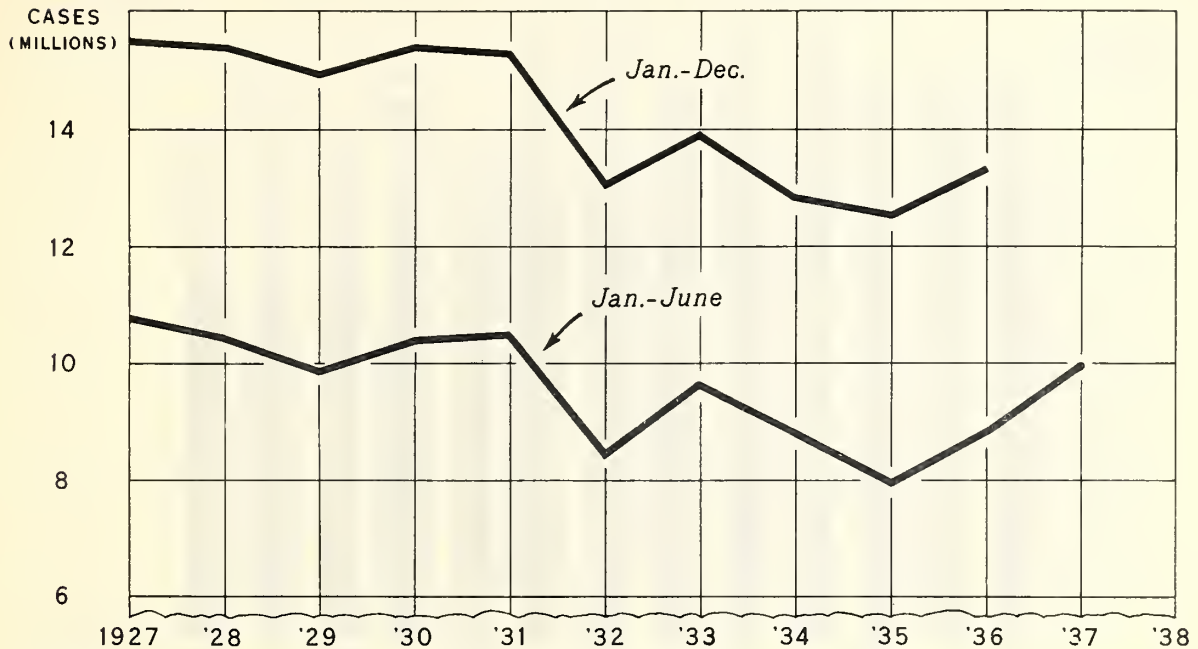
Year	Percent	Year	Percent
1927	62.2	1932	62.6
1928	61.2	1933	63.9
1929	61.0	1934	63.2
1930	62.2	1935	60.1
1931	61.3	1936	61.1

Eggs: - Cumulative total of number laid per farm flock on first day of month

1927 - 1937

Year	Jan.	Feb.	Mar.	Apr.	May	June	July	Aug.	Sept.	Oct.	Nov.	Dec.
1927	14.8	34.8	71.0	118.8	163.3	201.3	232.2	258.4	280.4	298.1	311.7	323.7
1928	13.8	35.2	66.1	111.3	154.5	192.2	223.1	248.4	270.3	288.4	302.3	313.8
1929	16.4	36.4	64.5	110.1	153.2	190.1	220.7	247.3	269.3	287.3	300.5	311.6
1930	14.4	32.9	71.5	117.0	160.2	196.5	226.5	250.9	271.8	290.0	303.2	315.8
1931	15.7	39.6	75.3	117.5	159.8	196.1	225.2	250.1	272.5	291.1	305.8	319.9
1932	17.2	41.1	75.0	114.6	155.5	189.6	217.9	241.2	262.2	279.6	292.5	303.1
1933	13.3	40.1	69.6	111.9	153.2	188.6	214.6	237.3	256.4	272.1	284.2	295.2
1934	16.0	38.2	67.4	107.3	147.7	180.7	207.0	227.5	245.6	261.4	274.0	285.9
1935	13.4	30.3	58.7	98.0	135.7	168.0	194.7	217.1	236.0	252.7	266.7	279.5
1936	15.1	33.8	59.2	100.0	139.5	173.3	200.5	222.1	240.7	257.4	270.7	283.5
1937	18.5	40.1	71.8	112.5	154.3	189.7	217.5					

EGG RECEIPTS: FOUR MARKETS, JANUARY-JUNE AND JANUARY-DECEMBER, 1927-37



U. S. DEPARTMENT OF AGRICULTURE

NEG. 32476 BUREAU OF AGRICULTURAL ECONOMICS

Receipts represent the flow of eggs through regular wholesale market channels. When egg receipts at the 4 markets (New York, Chicago, Boston, and Philadelphia) shown an increase for the first 6 months of the year, it is fairly certain that an increase will occur for the year as a whole. Between 63 and 70 percent of the receipts occur during these months in which production reaches its peak and most of the storage stocks are accumulated.

Receipts at 4 Markets, January to June as a percent of Total

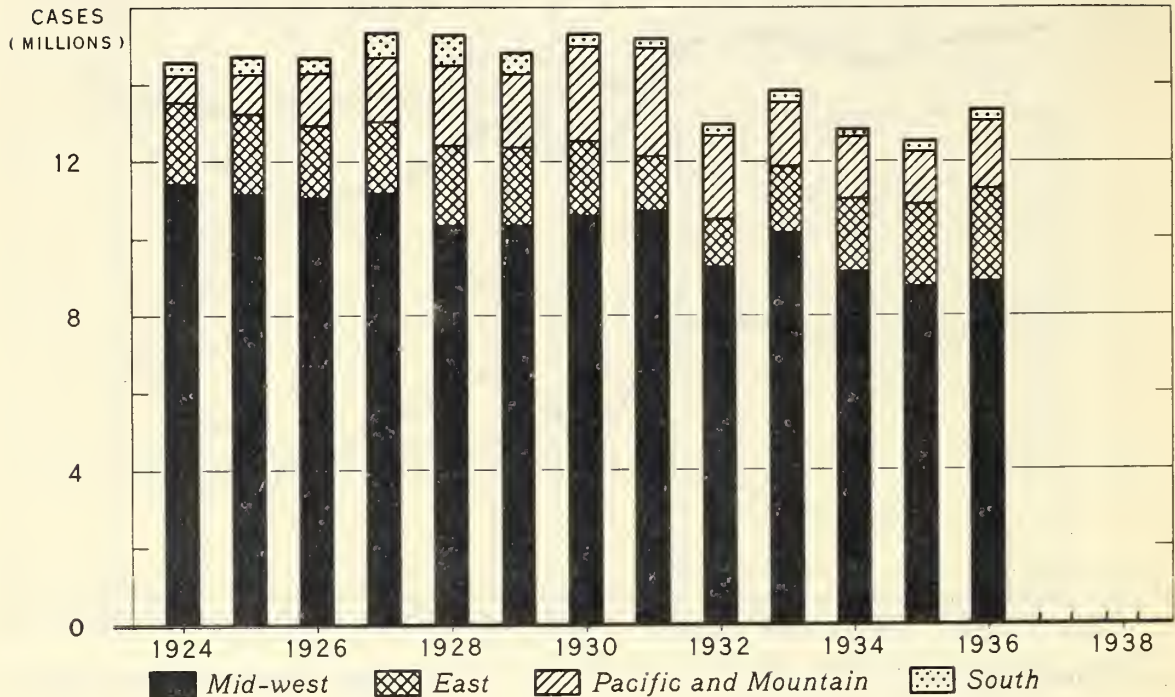
Year	Percent	Year	Percent
1927	69.6	1932	64.6
1928	67.8	1933	69.5
1929	66.0	1934	68.7
1930	67.5	1935	63.7
1931	68.6	1936	66.2

Eggs - Cumulative total of Receipts at 4 Markets

1927 - 1937

Year	Jan.	Feb.	Mar.	Apr.	May	June	July	Aug.	Sept.	Oct.	Nov.	Dec.
	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000
	Cases	Cases	Cases	Cases	Cases	Cases	Cases	Cases	Cases	Cases	Cases	Cases
1927	916	2,038	3,957	6,603	9,057	10,759	11,916	12,855	13,698	14,352	14,905	15,457
1928	810	2,067	3,995	6,280	8,721	10,425	11,699	12,706	13,591	14,333	14,829	15,381
1929	851	1,620	3,354	5,864	8,115	9,863	11,205	12,300	13,195	13,881	14,364	14,942
1930	858	1,901	3,893	6,446	8,739	10,394	11,702	12,581	13,483	14,145	14,691	15,403
1931	968	2,167	4,128	6,522	8,685	10,486	11,610	12,604	13,498	14,161	14,686	15,282
1932	864	1,886	3,244	5,086	6,993	8,427	9,451	10,422	11,224	11,916	12,476	13,049
1933	994	1,930	3,496	5,701	8,127	9,640	10,733	11,627	12,307	12,900	13,352	13,880
1934	736	1,839	3,588	5,569	7,425	8,816	9,767	10,538	11,154	11,742	12,264	12,831
1935	684	1,476	2,891	4,670	6,541	7,970	9,071	9,859	10,578	11,218	11,799	12,520
1936	820	1,554	3,249	5,171	7,174	8,820	9,993	10,914	11,638	12,229	12,672	13,321
1937	1,012	1,861	3,392	5,320	7,390	8,989	10,102					

EGG RECEIPTS: FOUR LEADING MARKETS* FROM REGIONS OF ORIGIN, 1924-36



* NEW YORK, CHICAGO, PHILADELPHIA, BOSTON

U. S. DEPARTMENT OF AGRICULTURE

NEG. 21975 BUREAU OF AGRICULTURAL ECONOMICS

Receipts at 4 markets show the volume of eggs flowing through market channels at New York, Chicago, Boston, and Philadelphia. They do not show sales made direct from producer to consumer or to retailer and therefore are not to be considered as total sales or total production. The Mid-west is the most important source of eggs for these markets but the east has been supplying an increasing proportion during the last 4 years. At the same time there has been a tendency for receipts from the Mid-west and the Mountain and Pacific areas to decline. Falling prices made freight rates very burdensome and discouraged production in these areas at some distance from the market. Rising prices may stimulate production in these areas.

Egg Receipts: - Four leading markets* from Regions of Origin, 1925-1936

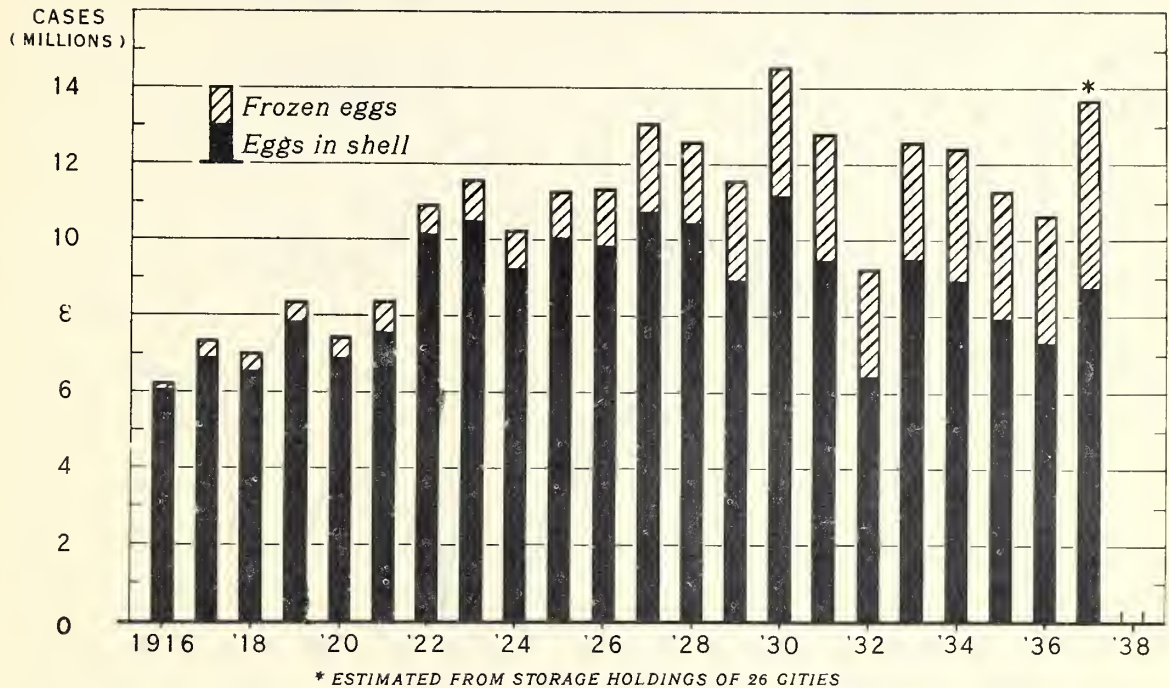
Region	1925	1926	1927	1928	1929	1930	1931	1932	1933	1934	1935	1936
Mid-west	11,162	11,078	11,182	10,350	10,346	10,594	10,713	9,279	10,139	9,140	8,737	8,886
East	2,061	1,858	1,844	2,065	1,970	1,922	1,401	1,207	1,689	1,854	2,126	2,402
Pac. & Mountain.	1,028	1,351	1,676	2,084	1,924	2,463	2,802	2,169	1,666	1,623	1,353	1,739
South	460	390	640	760	568	316	247	287	329	189	287	283
TOTAL	14,711	14,677	15,342	15,259	14,808	15,295	15,163	12,942	13,823	12,806	12,503	13,310

Totals do not include District of Columbia, Canada and parcel post.

	Percent of Total											
Mid-west	75.87	75.48	72.89	67.83	69.87	69.26	70.65	71.69	73.35	71.37	69.88	66.76
East	14.01	12.66	12.02	13.53	13.30	12.57	9.24	9.33	12.22	14.48	17.00	18.05
Pac. & Mountain.	6.99	9.20	10.92	13.66	12.99	16.10	18.48	16.76	12.05	12.67	10.82	13.06
South	3.13	2.66	4.17	4.98	3.84	2.07	1.63	2.22	2.38	1.48	2.30	2.13
TOTAL	100.00	100.00	100.00	100.00	100.00	100.00	100.00	100.00	100.00	100.00	100.00	100.00

*New York, Chicago, Philadelphia, Boston.

U. S. COLD-STORAGE STOCKS OF EGGS ON AUGUST 1, 1916-37



U. S. DEPARTMENT OF AGRICULTURE

NEG. 26382 BUREAU OF AGRICULTURAL ECONOMICS

Stocks of eggs in cold storage are accumulated during the months of heavy production and marketing, including the months of March, April, May, and June. They are usually reported at their peak in July or August.

Stocks of storage eggs are returned to consumption during the fall and winter, the months when production is low. During these months they represent a larger proportion of available supply than in the spring. The size of the storage stock has a more important effect on fall egg prices than on spring prices.

Increased tariff protection on frozen eggs in 1922 and a further increase in 1930 stimulated egg breaking in the United States and increased the stock of liquid eggs frozen and carried in cold storage.

Shell Eggs: - Cold storage holdings on the first day of the month, 1931 - 1937
(Thousand cases, i.e. 000 omitted)

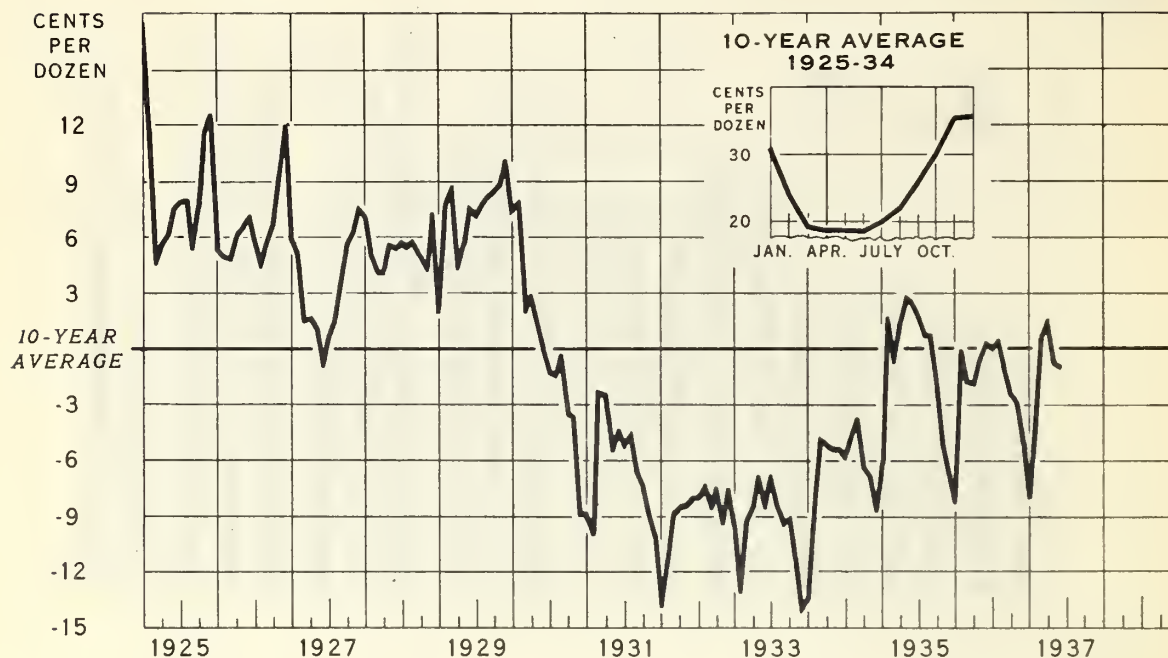
Year	Jan.	Feb.	Mar.	Apr.	May	June	July	Aug.	Sept.	Oct.	Nov.	Dec.
1931	1,894	735	408	1,893	5,162	7,887	9,507	9,504	9,016	7,960	5,746	3,447
1932	1,475	663	258	700	2,982	5,380	6,339	6,431	5,960	4,895	3,225	1,199
1933	159	75	163	1,833	4,857	8,062	9,364	9,507	8,944	7,466	5,175	2,641
1934	731	50	90	1,208	4,640	7,819	8,965	8,961	7,938	6,803	4,633	2,380
1935	648	39	34	1,508	3,901	6,366	7,595	7,947	7,373	6,353	4,644	2,738
1936	964	159	13	807	3,039	5,707	7,058	7,335	7,006	5,817	3,788	1,755
1937	651	469	322	1,413	4,405	7,300	8,548					

Frozen Eggs: - Cold storage holdings on the first day of the month, 1931 - 1937
(Thousand cases*, i.e. 000 omitted)

Year	Jan.	Feb.	Mar.	Apr.	May	June	July	Aug.	Sept.	Oct.	Nov.	Dec.
1931	2,377	2,162	2,111	2,230	2,615	3,046	3,243	3,277	3,151	2,951	2,709	2,469
1932	2,263	2,070	1,944	1,972	2,341	2,714	2,871	2,832	2,656	2,405	2,123	1,833
1933	1,581	1,327	1,156	1,288	1,798	2,438	2,943	3,076	2,927	2,662	2,352	2,067
1934	1,755	1,426	1,119	1,105	1,789	2,684	3,316	3,473	3,200	2,856	2,535	2,174
1935	1,854	1,506	1,126	1,129	1,695	2,419	3,084	3,322	3,217	2,819	2,515	2,258
1936	1,987	1,706	1,325	1,310	1,976	2,686	3,192	3,300	3,103	2,762	2,344	1,895
1937	1,481	1,117	983	1,516	2,520	3,804	4,709					

* 35 pounds liquid eggs to case

EGGS: PRICES RECEIVED BY PRODUCERS, CENTS PER DOZEN ABOVE OR BELOW 10-YEAR AVERAGE, 15TH DAY OF MONTH



U. S. DEPARTMENT OF AGRICULTURE

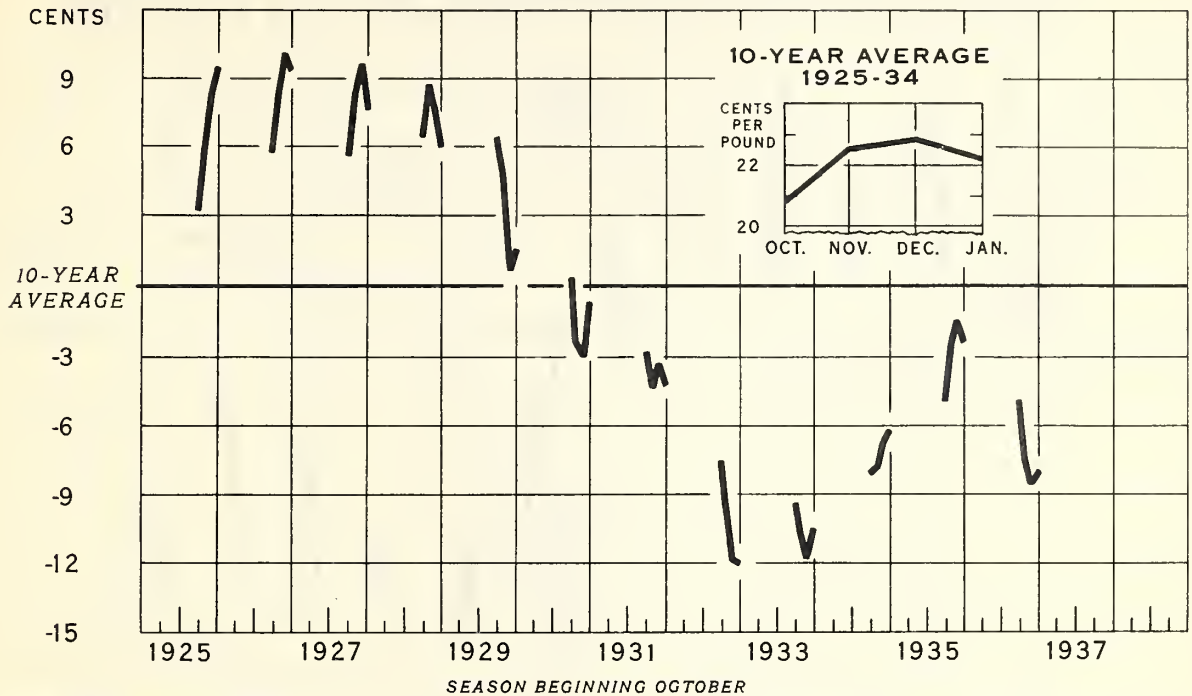
NEG. 32488 BUREAU OF AGRICULTURAL ECONOMICS

Egg prices advanced rapidly in 1935 because poultry flocks were reduced by the 1934 drought and egg production decreased. Increased egg production in 1936 and 1937 caused prices to decline somewhat even though demand was improved. Of primary importance is the change in the seasonal of egg prices shown in the Chart above. During the years since 1929, the seasonal price advance from spring to winter has not been as great as was the case prior to 1929. Monthly egg prices, shown in relation to 10 year monthly average prices, reveal this fact. The 10 year average price advance from spring to winter is not as great as was the average price advance for years before 1929, so winter prices in those years appear very high. For the years following 1929, the 10 year average price advance is greater than the actual changes which occurred and winter prices relative to this average, are low.

Eggs: - Estimated average price received by farmers on the 15th of each month
(10 year average and difference above or below average)

Year	Jan.	Feb.	Mar.	Apr.	May	June	July	Aug.	Sept.	Oct.	Nov.	Dec.
Ave.)												
1925- (	31.0	24.0	19.3	18.7	18.7	18.6	20.0	22.0	25.7	30.0	35.4	35.7
1934)												
1925	17.6	11.7	4.6	5.5	6.1	7.5	7.9	8.0	5.4	7.7	11.4	12.4
1926	5.3	4.9	4.8	6.1	6.5	7.1	5.7	4.4	5.8	6.8	9.5	11.9
1927	5.9	5.0	1.5	1.6	1.1	-.8	.7	1.4	3.7	5.6	6.2	7.6
1928	7.2	5.1	4.1	4.1	5.5	5.3	5.6	5.4	5.7	4.9	4.2	7.2
1929	2.0	7.9	8.7	4.3	5.7	7.5	7.2	7.8	8.2	8.4	8.8	10.1
1930	7.4	7.8	2.0	2.8	1.3	0	-1.2	-1.4	-.4	-3.5	-3.7	-8.9
1931	-8.9	-9.9	-2.3	-2.5	-5.4	-4.5	-5.2	-4.7	-6.6	-7.3	-9.0	-10.1
1932	-13.8	-11.2	-8.9	-8.5	-8.4	-8.0	-8.0	-7.3	-8.5	-7.5	-9.3	-7.6
1933	-9.6	-13.0	-9.2	-8.4	-6.9	-8.5	-6.9	-8.7	-9.4	-9.2	-11.4	-14.1
1934	-13.4	-8.2	-4.9	-5.2	-5.4	-5.4	-5.9	-4.8	-3.8	-6.3	-6.8	-8.7
1935	-6.0	1.6	-.7	1.3	2.7	2.4	1.7	.7	.7	-2.1	-5.3	-7.0
1936	-8.2	-.2	-1.8	-1.9	-.6	.3	0	.4	-1.2	-2.4	-2.9	-5.2
1937	-7.9	-3.9	.6	1.4	-.8	-1.0						

**TURKEYS, LIVE: PRICES RECEIVED BY PRODUCERS, CENTS PER POUND
ABOVE OR BELOW 10-YEAR AVERAGE, 15TH DAY OF MONTH**



U. S. DEPARTMENT OF AGRICULTURE

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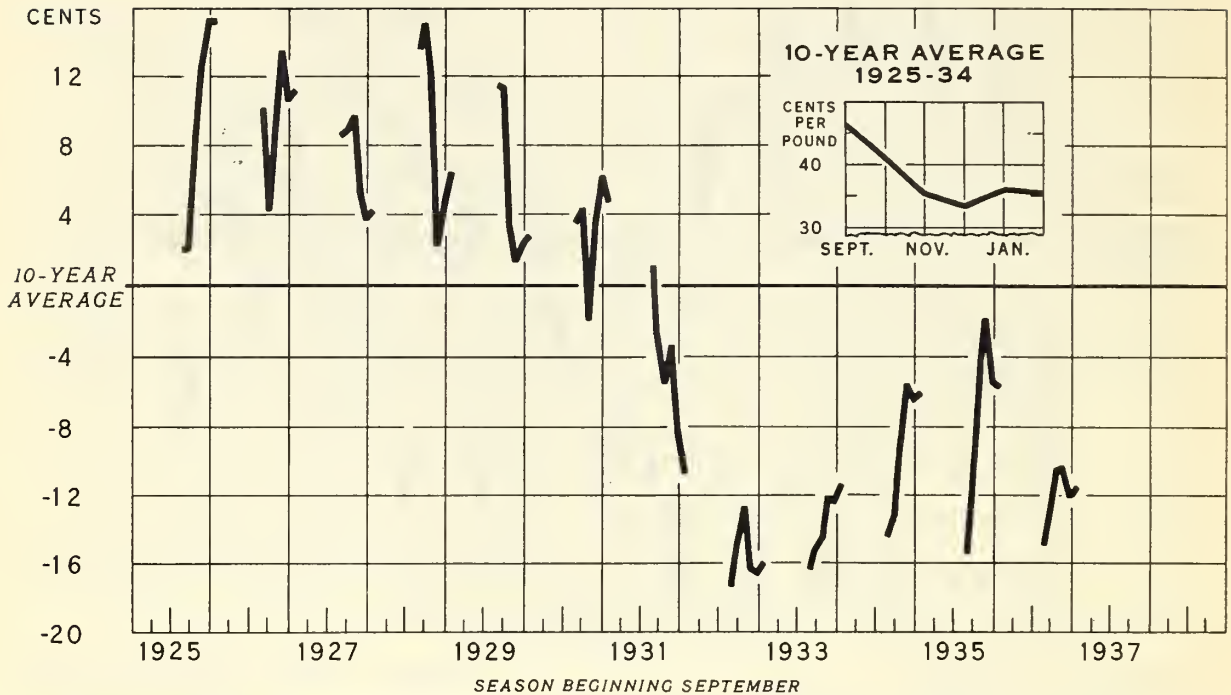
During the marketing season turkey prices change considerably even when the change is measured from an average. This is due to the fact that prices paid early in the season are often found to be out of line with the supply and demand conditions which develop later. Turkeys bought early in the season at considerable distance from the market are purchased at more risk to buyers than those bought later. This partly explains the fact that farm prices in October (insert) are usually lower than those later in the year. Another reason why farm prices in October are low is because old turkeys usually sell at lower prices than young ones, particularly early in the marketing season, at which time a larger proportion of the stock sold is old since more breeding stock is included in the marketings.

Turkeys, live: Average price per pound received by producers on the 15th day of month, 1925-37
(10 Year average and difference above or below average)

Year ^{1/}	October	November	December	January ^{1/}
	Cents per lb.	Cents per lb.	Cents per lb.	Cents per lb.
10 Year average				
1925 - 1934	20.8	22.5	22.8	22.2
1925-26	3.2	5.8	8.3	9.5
1926-27	5.8	7.3	10.0	9.4
1927-28	5.6	8.3	9.5	7.6
1928-29	6.4	8.7	7.7	6.0
1929-30	6.4	4.6	.7	1.5
1930-31	.2	- 2.4	- 2.9	- .6
1931-32	- 2.9	- 4.2	- 3.4	- 4.2
1932-33	- 7.6	- 9.6	-11.9	-12.0
1933-34	- 9.5	-10.7	-11.7	-10.6
1934-35	- 8.1	- 7.9	- 6.8	- 6.2
1935-36	- 4.9	- 2.6	- 1.5	- 2.3
1936-37	- 4.9	- 7.5	- 8.5	- 8.1

^{1/} Prices are for marketing season. January prices in each case are for the January following December.

TURKEYS, YOUNG, FRESH DRESSED: PRICES AT NEW YORK, CENTS PER POUND ABOVE OR BELOW 10-YEAR AVERAGE



U. S. DEPARTMENT OF AGRICULTURE

NEG. 32489

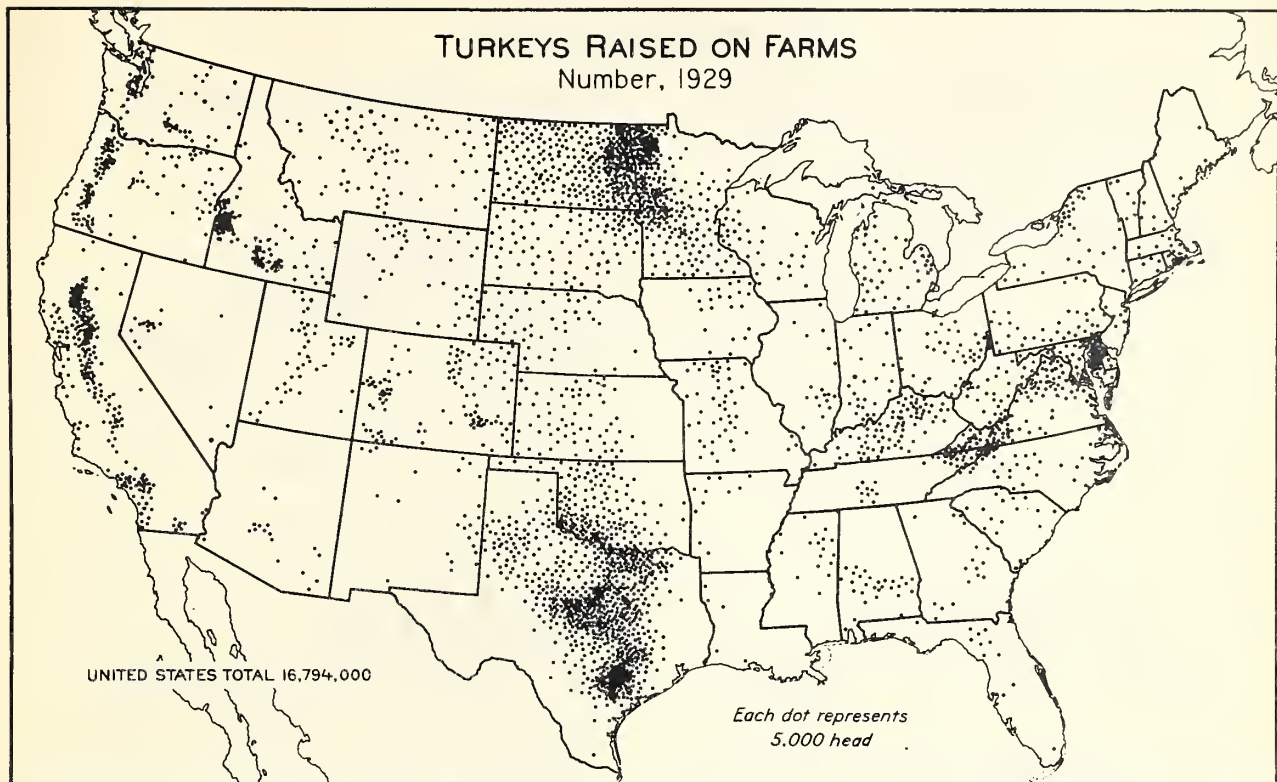
BUREAU OF AGRICULTURAL ECONOMICS

Most of the turkeys are sold during the months of November and December. Information showing the approximate amount to be marketed and the demand for turkeys on the part of consumers is not sufficiently available to be very useful, consequently even the dealers who are in closest touch with these factors make wide errors in judgment as a result of which there are wide price fluctuations in many years, even when shown in relation to an average seasonal. This average (insert) shows that usually the price for young turkeys is higher in September and October than in later months and that producers to whom such a market is available may get a higher price for those turkeys sufficiently mature for marketing at the earlier date.

Turkeys, young: Monthly average wholesale price, fresh dressed, at New York City

(10 Year average and difference above or below average)

Year	September	October	November	December	January	February
	Cents per lb.	Cents per lb.	Cents per lb.	Cents per lb.	Cents per lb.	Cents per lb.
Average)						
1925-1934)	46.5	41.2	35.4	33.4	35.9	35.5
1925-26)	2.0	2.1	8.6	12.4	15.2	15.2
1926-27)	10.1	4.3	8.9	13.3	10.8	11.1
1927-28)	8.5	8.8	9.5	5.2	3.9	4.1
1928-29)	13.5	14.9	12.0	2.4	5.8	6.4
1929-30)	11.4	11.3	3.3	1.4	2.3	2.7
1930-31)	3.5	4.1	- 1.8	3.5	6.0	4.7
1931-32)	.9	-2.8	- 5.5	-3.6	-8.6	-10.8
1932-33)	-17.4	-15.2	-12.8	-16.4	-16.5	-16.0
1933-34)	-16.4	-15.4	-14.6	-12.2	-12.4	-11.5
1934-35)	-14.5	-13.1	- 9.2	- 5.7	- 6.5	- 6.2
1935-36)	-15.5	-10.2	- 4.3	- 2.0	- 5.5	- 5.7
1936-37)	-15.0	-12.7	-10.5	-10.4	-12.0	-11.6



U.S. DEPARTMENT OF AGRICULTURE

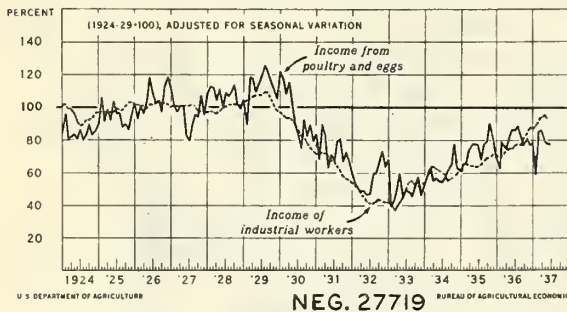
NEG. 24966 BUREAU OF AGRICULTURAL ECONOMICS

While turkeys are raised to some extent in nearly all parts of the country, the industry is largely concentrated in those areas where climatic conditions and feed supplies are peculiarly favorable to range production. Outside of these areas production has, until recent years, been largely confined to small farm flocks. With the adoption of modern production methods large flocks are increasing in the general farming sections.

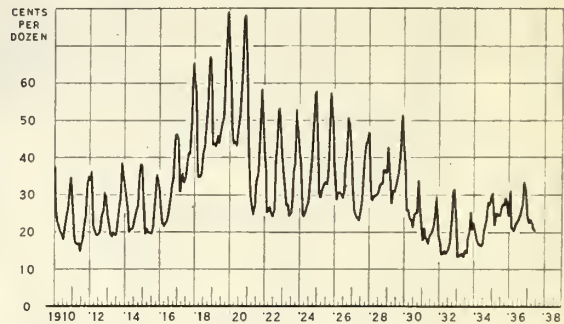
Turkeys raised on farms in the United States, by States, 1929

State	Turkeys raised	State	Turkeys raised	State	Turkeys raised
Maine	25,841	North Dakota . .	1,457,930	Arkansas	55,635
New Hampshire . .	19,460	South Dakota . .	460,106	Louisiana	27,430
Vermont	28,549	Nebraska	250,000	Oklahoma	804,262
Massachusetts . .	61,396	Kansas	319,480	Texas	3,782,912
Rhode Island . .	12,784	Delaware	60,714	Montana	442,259
Connecticut . . .	24,433	Maryland	278,579	Idaho	516,976
New York	166,721	D.C.	18	Wyoming	233,016
New Jersey . . .	31,609	Virginia	527,715	Colorado	547,789
Pennsylvania . .	175,089	West Virginia . .	182,522	New Mexico	124,361
Ohio	177,322	North Carolina . .	205,300	Arizona	83,818
Indiana	129,742	South Carolina . .	80,235	Utah	228,483
Illinois	91,487	Georgia	85,731	Nevada	89,573
Michigan	229,640	Florida	68,689	Washington	251,713
Wisconsin	177,116	Kentucky	383,138	Oregon	600,359
Minnesota	1,306,058	Tennessee	156,470	California	1,246,993
Iowa	111,981	Alabama	142,894		
Missouri	245,147	Mississippi	85,010	U. S.	16,794,485

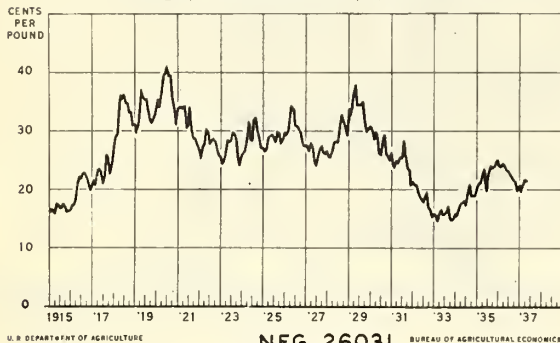
SUPPLEMENT

CASH FARM INCOME FROM POULTRY AND EGGS, AND
INCOME OF INDUSTRIAL WORKERS, 1924-37

NEG. 27719

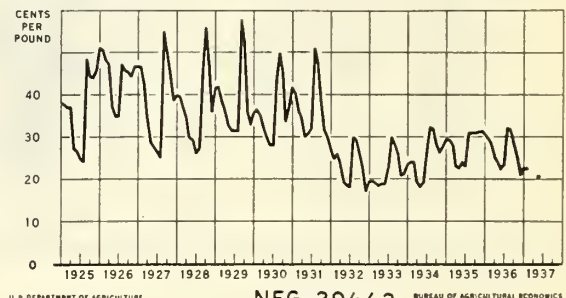
EGGS, FRESH GATHERED FIRSTS: AVERAGE MONTHLY
WHOLESALE PRICE AT NEW YORK CITY, 1910-37

NEG. 32486

POULTRY, FRESH DRESSED: WEIGHTED AVERAGE
PRICE, NEW YORK CITY, 1915-37

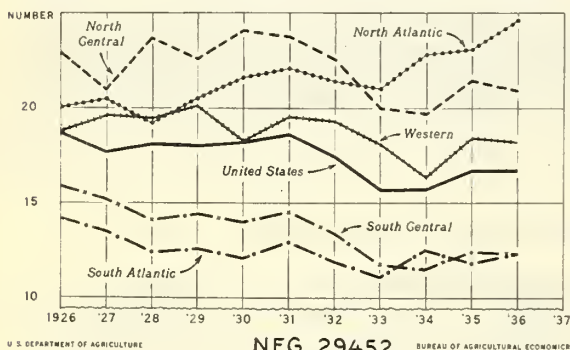
NEG. 26031

TURKEYS, DRESSED: AVERAGE MONTHLY PRICE, NEW YORK CITY, 1925-37



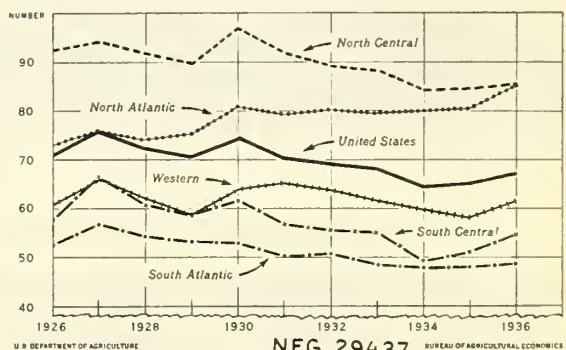
NEG. 29442

EGGS LAID PER FARM FLOCK ON OCTOBER 1, 1926-36



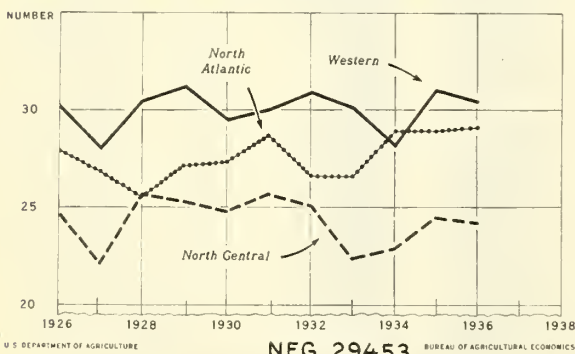
NEG. 29452

HENS AND PULLETS PER FARM FLOCK ON OCTOBER 1, 1926-36



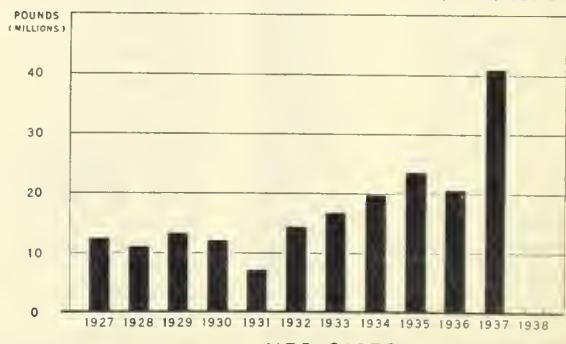
NEG. 29437

EGGS LAID PER 100 HENS AND PULLETS ON OCTOBER 1, 1926-36



NEG. 29453

TURKEYS: COLD-STORAGE HOLDINGS, UNITED STATES, FEB. 1, 1927-37



NEG. 31672

